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100 LEADING NATIONAL ADVERTISERS

Philip Morris ad spending muscles past $2 billion

Top 100 marketers tip ad scales at $32.2 billion as acquisitions and flood of retailers jumble rankings, and spot media and new product growth cool

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By R. CRAIG ENDICOTT

Philip Morris Cos. became the first company to crack the $2 billion mark in annual advertising and promotional spending in the U.S. with an increase of 7.2% to $2.06 billion in 1988, according to the 34th annual *Advertising Age* 100 Leading National Advertisers' report.

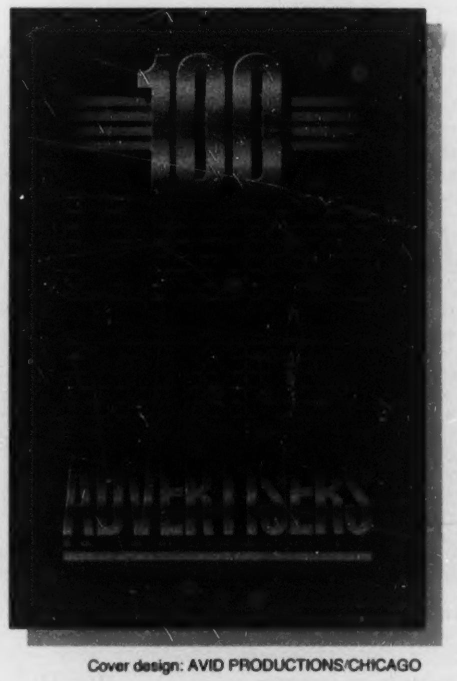
The company's mammoth Kraft General Foods division with combined sales of $22.5 billion accounted for about 60% of total Philip Morris advertising. About 25% of the ad budget was for cigarettes and 15% for the Miller beer unit. The *Ad Age* report folded into the company ad totals full-year spending for Kraft Inc., purchased for $13.1 billion in December 1988. Kraft, last year's 22nd largest U.S. advertiser, claimed close to half Philip Morris' ad expenditures for food.

Procter & Gamble, dominant ad spender until edged out of No. 1 by Philip Morris in last year's report, retained the No. 2 spot with ad spending of $1.51 billion, up only 2.8%. General Motors Corp., No. 3, remained in striking distance of P&G at $1.29 billion, a dramatic 34% increase over 1987, and Sears, Roebuck & Co. filled out the billion-dollar ad club at $1.05 billion, up 4.4%.

The leading four marketers together accounted for 18% of the Top 100's $32.21 billion aggregate, up 6.7% from 1987 totals recorded by these same companies. As a group, the Top 100 represented 27.3% of all advertising in the U.S. in 1988, down slightly from 27.5% in 1987. Total U.S. advertising in 1988 is estimated at $118.05 billion by Robert J. Coen, McCann-Erickson U.S.

The price of admission to the Top 100 this year climbed steeply to $108 million in advertising, the level recorded by No. 100, Subaru of America, a new entry to the chart. Last year, No. 100 was Ameritech at $83.4 million.

National media ad spending accounted for $17.98 billion, or 55.7% of the Top 100 total volume. The remainder was "unmeasured" advertising and promotion not monitored by national tracking services *(See Methodology, Page 2)*, such as all forms of direct marketing and promotions.



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Acquisitions, as evidenced by ad expansion at Philip Morris (PM's ad total was $1.56 billion without Kraft in 1987), heavily influenced rankings within the Top 100 in 1988. Grand Metropolitan PLC soared to No. 6 from No. 40 based on its buyout of last year's No. 19, Pillsbury Co. SmithKline Beecham checked in at No. 39, up from Beecham Group PLC's rank of 54 last year. A merged Bristol-Myers Squibb reached No. 21. Squibb Corp., not a major consumer advertiser, contributed enough to help lift Bristol-Myers from No. 26 a year ago. Buyout activity continued this fall with P&G's planned $1.3 billion purchase of No. 79 Noxell Corp.; No. 53 Adolph Coors Co.'s buyout for $425 million of Strohs Brewery Co., and No. 81 Sony Corp.'s offer to purchase Columbia Pictures Entertainment, No. 85.

Retailers shot into the Top 100 en masse because newspapers, their main ad medium, are now a measured medium. *Ad Age* historically picks its 100 companies on the basis of their measured media expenditures. *(See Methodology, Page 2)*, but re-ranks them by their total ad expenditures, which includes our subsequent estimates of unmeasured spending. Twelve retailers reached the Top 100 up from five in 1987.

Network TV continued to dominate spending totals. The 100 increased their network expenditures 7.5% to $6.99 billion. They remain the networks' lifeblood, contributing 72.9% of the medium's total in 1988, down slightly from 73.7% in 1987. The medium accounted for 21.7% of all measured media expenditures for the Top 100 in 1988, up from 21.5%. General Motors' overall ad increase of 34% went largely into network TV and it wrested the top spot from P&G.

GM spent $443.4 million, up 62.4%, compared to Philip Morris's $388.6 million, an increase of 3.2%, while last year's network leader, P&G, fell to third, at $370.2 million, down 2%.

There was a slight erosion in spending on spot TV, the 100's second medium of choice, as total spending reached $3.45 billion, off 0.8%. As a result, spot TV accounted for 10.7% of the measured total for the Top 100, down from 11.5%. The Top 100 accounted for 40.1% of spending by all advertisers on spot TV in 1988, down from 41.4% in 1987. PepsiCo, ninth lar-

(Continued on Page 2)

100 Leading National Advertisers

Rank	Advertiser	Ad spending	Rank	Advertiser	Ad spending	Rank	Advertiser	Ad spending
1	Philip Morris Cos.	$2,058.2	35	Hershey Foods Corp.	$298.6	69	Kroger Co.	$144.1
2	Procter & Gamble Co.	1,506.9	36	U.S. Government	295.1	70	Seagram Co.	143.1
3	General Motors Corp.	1,294.0	37	General Electric Co.	276.6	71	Volkswagen AG	140.3
4	Sears, Roebuck & Co.	1,045.2	38	Toyota Motor Corp.	272.9	72	Paramount Communications	139.2
5	RJR Nabisco	814.5	39	SmithKline Beecham	264.2	73	News Corp.	139.1
6	Grand Metropolitan PLC	773.9	40	Schering-Plough Corp.	262.2	74	CPC International	134.4
7	Eastman Kodak Co.	735.9	41	Campeau Corp.	260.5	75	Wm. Wrigley Jr. Co.	134.2
8	McDonald's Corp.	728.3	42	American Cyanamid Co.	256.2	76	Bayer AG	132.2
9	PepsiCo Inc.	712.3	43	American Stores Co.	250.5	77	E.I. du Pont de Nemours & Co.	131.4
10	Kellogg Co.	683.1	44	American Express Co.	247.2	78	Texas Air Corp.	128.8
11	Anheuser-Busch Cos.	634.5	45	Honda Motor Co.	243.3	79	Noxell Corp.	126.7
12	K mart Corp.	632.0	46	Tandy Corp.	232.0	80	American Dairy Farmers	126.6
13	Warner-Lambert Co.	609.2	47	Dayton Hudson Corp.	230.2	81	Sony Corp.	125.9
14	Unilever NV	607.5	48	Pfizer Inc.	230.1	82	Goodyear Tire & Rubber Co.	124.6
15	Nestle SA	573.8	49	Nissan Motor Co.	224.9	83	Loews Corp.	123.8
16	Ford Motor Co.	569.8	50	IBM Corp.	214.4	84	Levi Strauss Associates	123.1
17	American Telephone & Telegraph	547.5	51	Hyundai Group	204.5	85	Columbia Pictures Entertainment	122.4
18	Chrysler Corp.	474.0	52	Campbell Soup Co.	202.5	86	Dr Pepper/Seven-Up Cos.	121.9
19	General Mills	470.1	53	Adolph Coors Co.	200.8	87	AMR Corp.	120.7
20	Johnson & Johnson	468.8	54	B.A.T. Industries PLC	184.1	88	Marriott Corp.	120.2
21	Bristol-Myers Squibb	430.7	55	BCI Holdings Corp.	180.2	89	UAL Corp.	120.2
22	J.C. Penney Co.	426.6	56	Revlon Group	177.3	90	Hallmark Cards	119.8
23	Quaker Oats Co.	423.4	57	American Brands	168.7	91	Citicorp	118.4
24	Ralston Purina Co.	421.0	58	Hasbro Inc.	164.5	92	ITT Corp.	115.9
25	Time Warner	409.7	59	Gillette Co.	160.5	93	Franklin Mint	114.8
26	May Department Stores Co.	399.7	60	Nynex Corp.	160.4	94	Wendy's International	114.2
27	American Home Products Corp.	393.2	61	Carter Hawley Hale Stores	159.8	95	Bell Atlantic Corp.	113.2
28	Coca-Cola Co.	385.1	62	Dow Chemical Co.	156.7	96	Delta Air Lines	112.6
29	H.J. Heinz Co.	340.1	63	Mobil Corp.	155.9	97	Whitman Corp.	111.7
30	Mars Inc.	339.7	64	Montgomery Ward & Co.	155.3	98	S.C. Johnson & Son	111.6
31	Sara Lee Corp.	326.9	65	MCA Inc.	153.7	99	Borden Inc.	110.5
32	Macy Acquiring Corp.	308.8	66	Clorox Co.	148.3	100	Subaru of America	108.0
33	Colgate-Palmolive Co.	306.6	67	Mazda Motor Corp.	146.7			
34	Walt Disney Co.	300.6	68	Philips NV	144.3		Note: Dollars are in millions.	

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Philip Morris fuels Top 100

(Continued from Page 1)

gest spender among the 100, retained its lead in the spot TV medium although its spending dipped 4.8% to $258 million.

Spot TV, the only measured medium where totals dipped for the Top 100 in 1988, was affected by the renewed strength of network and increased buying in syndicated TV—both diverting dollars from spot.

Magazine spending by the 100 rose 10% to $2.60 billion as the group boosted its share of total national magazine advertising to 44.1% from 43.8% in 1987. Magazines accounted for 8.1% of all measured media of the leaders, up from 7.8%. Philip Morris retained its title as top advertiser in magazines with a tobacco-heavy expenditure of $270.3 million, down 0.3%, far outdistancing General Motors Corp. at $190.8 million, up 24%.

Spending in newspapers reached $2.35 billion for the Top 100, up 9.1% from the prior year. Newspapers took 7.3% of the total measured media pie of the Top 100, up from 7.1% in 1987. Newspapers are a retailer's medium and five retailers from the Top 100, led by No. 26 May Department Stores, took the top five spots among all advertisers in the medium.

Measured media ad spending returns for the first half of 1989 show the Top 100 probably is not priming the ad pump. Total for the period for all advertisers was $18.3 billion, up 5.2% from the comparable period in 1988, according to LNA/Arbitron, which monitors nine media. This compares with the 1988 mid-year increase of 15.7% over mid-year 1987.

The figures, however, seem to demonstrate a renewed emphasis in more localized media. Spot TV returned to the growth column, up 5.2% to $4.24 billion, as network TV dropped to $4.68 billion, down 1.2%, according to LNA/Arbitron, which also reported newspapers up 2.7% to $4.16 billion and magazines up 13.3% to $3.18 billion. Spot radio, monitored separately by Radio Expenditure Reports, improved 17.3% to $850.3 million.

The increase in spot radio and TV is affected by the retailing category's virtual blanket emphasis on every day low prices, a message of immediacy if there ever was one, and possibly new product launches, which would mark a reversal in new product trends. The market experienced lackluster growth in new products in 1988 as new entries built the market total 3.7% to 10,558, compared with a 26.6% increase in 1987 over the prior year, according to *New Product News*. That growth represented only 376 new products, compared with 2,141 intros in the prior year.

There was very little new category development, too, as most new products were new or enhanced versions of existing brands. For example, RJR Nabisco, No. 5, introduced "new" products bearing such franchised brand names as Oreos and Honey Graham Crackers.

Less-oily light salty snacks like PepsiCo's Ruffles Light from Frito-Lay, upscale pet foods from Grand Met's Alpo, No. 15 Nestle S.A.'s Carnation and No. 24 Ralston Purina, fresh refrigerated food lines like Philip Morris' Chillery line from Kraft and anything NutraSweet were in, as were the calorie-packed products health conscious consumers reward themselves with for being good most of the time—No. 30 Mars Inc.'s new Snickers and 3 Musketeers ice cream bars.

Then, of course, whether breads, crackers, cereals, potato or tortilla chips, pasta, pretzels or flavored flakes in a shaker, new products in 1988 could be summed up in two words: "Oat bran," says Lynn Dornblaser, *NPN* editor. This fed the population's concern about cholesterol levels.

Marketers also expanded their non-media advertising, from outlays for instore promotions and pricing in toiletries and beauty aids to incentive rebates by car manufacturers to move inventory. Such expenditures grew 5.8% to $14.2 billion for the Top 100.

Special event marketing captured the fancy of the Top 100 characterized by No. 28 Coca-Cola's giveaway of 20 million pairs of 3-D glasses to enable Super Bowl telecast viewers to see in vivid 3-D Coke's 45-second commercial. Walt Disney Co., No. 34, staged the 60th anniversary of Mickey Mouse, spending an estimated $100 million in promotional dollars.

Hershey Foods Corp. handed out 750,000 full-sized candy bars on 170 college campuses for sampling. Such blanket marketing programs pushed Hershey's worldwide promo budget up 34.5% as it rose from No. 69 to No. 35 in 1988.

Cross-ties influenced the heavy promotional, or non-media spending, because of licensing fees and other non-media costs. Disney repeatedly was on the receiving end as the Top 100 tied-in with its various movies and cartoon characters.

Mars' M&M/Mars division shifted media dollars to promotion in 1988 and this year, including an upcoming tie-in with Disney's video release of "Bambi." Disney's "Who Framed Roger Rabbit" was linked to in-store promos with No. 8 McDonald's Corp. and No. 65 MCA Inc.'s Universal Pictures' "E.T." starred in PepsiCo spots. To promote the network's new prime-time fall schedule, K mart, No. 12, linked with CBS in a sweepstakes promotion, and Sears did the same with NBC.

Ralston Purina launched its Dunkin Donuts cereal, and Grand Met struck a licensing agreement to use the Garfield cartoon character for its $70 million campaign launching Alpo brand cat food this November.

Retailing became so competitive and me-tooish that K mart; Sears, Roebuck & Co. and Montgomery Ward & Co., No. 64, each now promote every day low prices. Federated and Allied stores tried to adjust to their takeover by Campeau Corp., No. 41, but cash flow problems late this year led Campeau to seek a buyer for Bloomingdale's. Parent of Saks Fifth Avenue and Marshall Field & Co., B.A.T. Industries, No. 54, continues to resist a takeover by Sir James Goldsmith, with the possible outcome a forced sale of Field's or Saks.

Stiff competition and large inventories saw auto marketers adopt massive profit-reducing incentives to move cars out of showrooms. Ford Motor, No. 16, lost an average $900 a vehicle through rebate schemes. Subaru of America's incentives ranging from $1,000 to $3,000 per vehicle cost the company nearly $100 million. Incentive promotions helped boost car advertising volume in the U.S. by an average 12.8%, while their U.S. sales advanced only 0.3% on average.

Advertisers continued to find ways to cut costs while seeking to build strong brand franchises. A number of the Top 100 linked product performance to agency compensation. Nestle's Carnation even tied agency fees to ad performance of products in test.

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Methodology & sources

Improvements in monitoring services' methodology, partially the result of mergers, added several twists in the data compilation for this year's issue.

First, retail advertising in newspapers is being measured in almost 50 major U.S. markets. In previous issues newspaper retail advertising was not measured at all, but for national retailers was included in unmeasured figures.

Also, a new and growing medium—syndicated TV—was added to the list. In previous years, syndicated buys were included in either spot TV or unmeasured figures.

Selection process

The 100 leaders are selected on their measured ad spending only—that's ad expenditures in national consumer media that are monitored by various services (see below). *AA* reporters and free-lance writers then research company spending trends and estimate the amount each company spends on unmeasured advertising—couponing, direct mail, catalogues, sales promotion, etc.

The ranking is based on the total of measured and unmeasured ad spending.

Media monitoring services

LNA/Arbitron Multi-Media Service reports supply most of the measured media information in this report. The service consists of two separate companies (Leading National Advertisers and Arbitron's Broadcast Advertisers Reports) that join forces to provide ad spending in nine media by company, brand and category.

Publishers Information Bureau (part of LNA) supplies magazine and newspaper Sunday supplement data. Media Records (recently purchased by LNA) provides newspaper spending. Outdoor Advertising Association of America and Institute of Outdoor Advertisers supply outdoor spending, through LNA. Network TV, spot TV, nationally syndicated TV, cable TV networks and network radio are monitored by Broadcast Advertisers Reports, now a subsidiary of Arbitron Ratings Co.

Radio Expenditure Reports compiles spot radio data by company, brand and category. Farm publication spending is monitored by Agricultural Marketing Information Services (AGRICOM).

Because several sources compile ad spending data, some categories do not match. In the table on Page 8, category totals are matched as closely as possible to PIB classifications given by LNA.

Unmeasured spending

Unmeasured advertising figures are *Ad Age* estimates and include direct mail, promotion, co-op, couponing, catalogues and special events, to name a few. Annual Reports, Form 10-Ks, corporate sources and *Ad Age* beat reporters provide assistance in computing this number. Unmeasured advertising DOES NOT include corporate overhead, overseas ad spending or local advertising.

Sales & earnings

Worldwide, domestic and division sales and earnings are taken from public documents, wherever possible. Where comanies will not divulge this information and a reliable estimate is not available, an "NA" is used. Foreign currencies are converted at the rates given in each company's annual report.

Corporate composition

Folded into parent company totals for both 1988 and 1987 is 100% of the ad spending of companies they either acquired or reached an agreement to acquire as of Aug. 1, 1989. A company's divisional makeup and advertised brands are shown in its marketing structure breakdown at the end of its profile.

U.S. Government figures

Ad spending figures for the U.S. Government are compiled from ad agencies of the federal government, rather than sources listed above.

—*Kevin Brown*

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Top 100 ad spending picks up steam

Leading advertisers lay out $32.2 billion in 1988 for a 6.7% increase; volume exceeds 4.3% growth posted in 1987

RANK
57

American Brands

Old Greenwich, Conn.
ADVERTISING: $168.7 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	11,980	10,077	18.9
Earnings	580	522	11.2
U.S.	**1988**	**1987**	**% chg**
Sales	4,460	3,740	19.3
Operating income	458	315	45.2
Division sales	**1988**	**1987**	**% chg**
Tobacco	7,019	6,144	14.2
Life insurance	923	924	(0.0)
Distilled spirits	759	599	26.6
Office prods	883	516	71.1
Hardware	437	165	164.5
Specialty businesses	1,959	1,728	13.4

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	35,888	38,545	(6.9)
Newsp supp	8,829	1,068	726.7
Newspaper	9,463	6,154	53.8
Outdoor	11,831	19,732	(40.0)
Network TV	8,027	6,778	18.4
Spot TV	494	2,107	(76.6)
Synd TV	0	12	NA
Network cable	212	195	8.8
Network radio	246	356	(31.0)
Spot radio	326	463	(29.5)
Measured	75,316	75,411	(0.1)
Unmeasured	93,400	73,900	26.4
Total	168,716	149,311	13.0

American Brands, with its cash-rich tobacco holdings among an assortment of businesses, continues to draw unwanted suitors, the latest being the Liggett Group. Unilever NV is believed to be standing in the wings.

The company remains heavy in debt, however, after spending $2.1 billion in 1988 to buy out E-II Holdings. American Brands bought E-II using the so-called Pac-Man defense in consuming the raider.

American Brands media advertising remained flat in 1988 even with the addition of the home products and office supplies units that comprised E-II. These operations seldom advertised much anyway. They included Waterloo Industries, Day-Timers, Vogel Peterson, Master Lock Co. and AristoKraft among others.

Little changed in the concentration of American Brands' advertising as 82% of its media budget went for tobacco and liquor advertising in 1988, compared to 74% in the prior year.

However, the focus of advertising shifted to American Tobacco Co. (accounting for nearly 13% of AB sales worldwide) as its media spending increased 64% to $47 million, compared to distilled spirits' 59% drop to $15 million.

The drop in distilled spirits advertising, a budget commanded by AB's Jim Beam Brands Co. (6% of all sales), came despite acquisition in May 1987 of the distilled spirits division of National Distillers & Chemical Corp.

Despite the absence for the second straight year of Pall Mall, the company's star performer, from U.S. tobacco industry's Top 10 cigarettes, AB maintained a 6.9% market share in 1988 and 1987, according to analyst John C. Maxwell Jr. of Wheat First Securities, Richmond, Va. Media spending for Pall Mall dropped 22.4% to $9.9 million, according to LNA/Arbitron.

Carlton cigarettes dominated tobacco spending with $22.6 million, up 58% as America Brands spending on the Carlton filter line jumped from $7.8 million in 1987 to $22 million in 1988. Carlton filter's market share didn't budge from 1.7% although unit sales of the brand declined 1.2%.

Malibu, a low-price brand, saw its spending grow tenfold to $12.2 million in 1988 from only $1.2 million. Pall Mall Red and Lucky Strike Regular continued to dominate the non-filter category with a combined 56% share, the company said. Tareyton maintained its position as the leading charcoal filter cigarette with a 56% market share.

Jim Beam Brands held its place as third-largest U.S. distilled spirits company and seventh-largest worldwide. Its Jim Beam Bourbon, Windsor Canadian Supreme, Gilbey's gin, Gilbey's vodka and Kamchatka vodka and its DeKuyper family of cordials and liqueurs are among the 30 top-selling domestic labels, according to the company.

AMERICAN BRANDS
1700 E. Putnam Ave.
Old Greenwich, Conn. 06870-0811
(203) 698-5000

American Tobacco Co.
Stamford, Conn.

Coroprate personnel: C.H. Mullen, chmn-ceo.

Marketing personnel: W.J. Moore, sr vp-mktg; R.E. Smith, vp-brand mgmt; M.J. O'Neill, mktg devel dir; J.J Mellett, media dir; C.E. Willoughby, mktg rsch dir; E.T. Bonnett, mktg resources mgr; M.G. Holmes, rsch analyst; William Degenhardt, asst to media dir; M.P. Rose, sr media planner; M.J. DeMato, asst media planner; J.M. Ockers, group prod mgr; T.M. Keane, sr prod mgr, new brands; K.P. Noone, sr prod mgr, Carlton; M.J. Burns, prod mgr, Lucky Strike; J.M. Murray, prod mgr, Pall Mall; E.M. Ashkin, prod mgr, Malibu; J.E. Vyse, mktg budget & planning mgr; D.S. Johnston, sr vp-sales; E.J. Gesell, vp-exec sales.

Brands/services by agency of record:

Carlton
Lucky Strike
Pall Mall
Tayreton
Sylva Thins
American Lights
Malibu

Ad agency: Laurence, Charles, Free & Lawson, New York: Albert Magnane, exec vp; Douglas Bomeisler, Richard Goldschmidt, sr vps.

Franklin Life Insurance Co.
Springfield, Ill.

Marketing personnel: Jack Watson, exec vp-coo; David Vanselow, vp-comm.

Brands/services by agency of record:

Franklin Life Insurance Co.

Ad agency: Squires Advertising Agency & Art Studio, Springfield, Ill.: Stan Squires, vp.

Jim Beam Brands Co.
Chicago

Marketing personnel: Ralph Hallquist, vp-mktg & adv; Michael Lintner, group prod dir, bourbons & whiskies; Ed Moser, group prod dir, cordials & white goods; Gayle Seinfeld, media mgr.

Brands/services by agency of record:

DeKuyper cordials
Windsor Canadian
Pusser's Rum
Beam decanters
San Tropique

Ad agency: BBDO, Chicago: Steve Smith, mgmt super.

■

Jim Beam bourbon
Gilbey's gin

Ad agency: Fallon McElligott, Minneapolis: Joseph Culligan, mgmt super.

■

Old Grand-Dad bourbon
Kamora
Imports & specialties

Ad agency: Cramer-Krasselt, Chicago: Dan Brashears, sr vp.

ACCO/Swingline
Wheeling, Ill.

Marketing personnel: Gordon L. Zdeblick, vp-sales & mktg, commercial prods div; William S. Carvell, vp-genl mgr, retail prods div; J. William Hubbell, mktg dir, genl office prods; Duane Ischay, mktg dir, info processing prods; Fred Weiss, vp-mkt devel & admn, Swingline; Alan Green, mktg dir, Swingline.

Brands/services by agency of record:

Computer accessories & furniture
Genl office prods
Staplers

Ad agency: Davis-Harrison Advertising, Chicago: Doug Davis, Sue Harrison, partners.

Day-Timers Inc.
East Texas, Pa.

Marketing personnel: Mark LaDouceur, vp-mktg; Keith Snyder, dir-adv.

Brands/services by agency of record:

Time mgmt prods

Ad agency: Della Femina, McNamee WCRS, Chicago: Tom Lewy, vp-acct super.

Kensington Microware
New York

Marketing personnel: Pamela A. Miller, president-coo; Peter DuPont, vp-sales; Catherine Ullmann, creative dir; Jeff Hunter, art dir.

Brands/services by agency of record:

Computer accessories

Ad agency: (In-house): Catherine Ullmann, creative dir.

Ferma Products Co.
Dallas

Marketing personnel: Melinda Denny, adv coord.

Brands/services by agency of record:

Permanent Record storage prods

Ad agency: (In-house): Melinda Denny, adv coord.

Vogel Peterson
Elmhurst, Ill.

Marketing personnel: Stephanie Messick, dir-mktg; Janet Serrano, mgr-prod mktg.

Brands/services by agency of record:

Office furniture

Ad agency: McKee Advertising, Elk Grove Village, Ill.: Tom Behan, vp; Bill Makely, vp-pr.

Wilson Jones Co.
Chicago

Marketing personnel: Gregory A. Carlson, dir-mktg; Paul Barret, mktg mgr; Jeannette Marsland, new prod devel mgr; Richard Lange, mktg systems & admin mgr; Marvin A. Rosenfeldt, adv mgr.

Brands/services by agency of record:

Wilson Jones office prods

Ad agency: Storey, Gordon & Freere, Chicago: Jane Storey, president.

Master Lock Co.
Milwaukee

Marketing personnel: Peter U. Jung, vp-mktg & sales; Jeff Anderson, dir-mktg; James Donegan, dir-sales.

Brands/services by agency of record:

Consumer trade adv

Ad agency: Cramer-Krasselt, Milwaukee: William Faude, acct super.

20th Century Cos.
Wheeling, Ill.

Marketing personnel: John Wills, Dan Stuart, vps-mktg & sales; Charles (Skip) Moran, vp-natl key accts; Vince Pellettieri, vp-natl hardware accts.

Brands/services by agency of record:

20th Century plumbing & repair prods

Ad agency: McKee Advertising, Elk Grove Village, Ill.: Ted McKee, president; Ken Krause, acct exec.

AristoKraft Inc.
Jasper, Ind.

Marketing personnel: Gary Lautzenhiser, sr vp-mktg & sales.

Brands/services by agency of record:

AristoKraft cabinets & vanities

Ad agency: Juhl Advertising, Elkhart, Ind.: Howard Blackwood, president; Steve Blaising, vp.

Waterloo Industries
Waterloo, Iowa

Marketing personnel: John Trebel, vp-mktg & sales; Mike Strickland, dir-mktg svcs; R.C. Wojan, dir-intl sales, dir-professional group; Michael Quilline, dir-consumer div.

Brands/services by agency of record:

Waterloo tool storage prods

Ad agency: Connell Communications, Waterloo, Iowa: Connie Sisson, president; Betty Hellman, sr vp.

Acushnet Co.
New Bedford, Mass.
Golf Division

Marketing personnel: David E. Overmyer, sr dir-mktg; John W. Hoaglund, dir-sales; P.L. Kellum, sr prod mgr, Sportswear, WW; Gerald M. Bellis, sr prod mgr, golf balls, WW.

Rubber Division

Marketing personnel: James G. DeMello, sr vp-sales mktg; Charles C. Gregory, regional mgr; Jack W. Wagner, mgr-natl accts, auto.

Foot-Joy Division

Marketing personnel: Chuck Quinn, vp-mktg, golf; Richard Woodworth, prod mgr, golf prods.

Brands/services by agency of record:

Golf div
Rubber div
Foot-Joy div

Ad agency: Della Femina, McNamee WCRS, Boston: John McNamara, sr vp-mgmt super.

RANK
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Pfabulous Pharmaceuticals

Englewood Cliffs, N.J.
ADVERTISING: $555 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	7,000	6,000	16.6
Earnings	700	600	16.6
U.S.	**1988**	**1987**	**% chg**
Sales	5,000	4,000	25.0
Operating income	400	300	33.3
Division sales	**1988**	**1987**	**% chg**
Consumer healthcare	5,000	4,000	25.0
Professional prods	2,000	2,000	0.0

U.S. advertising by media
($ in thousands)

Media	1987	1988	% chg
Newspaper	140,000	130,000	7.7
Business pub	5,000	4,000	25.0
Magazine	100,000	75,000	33.3
Network TV	150,000	140,000	7.1
Spot TV	50,000	46,000	8.7
Network cable	50,000	50,000	0.0
Spot radio	5,000	5,000	0.0
Measured	500,000	450,000	11.1
Unmeasured	55,000	50,000	10.0
Total	555,000	500,000	11.0

Guide to boxes

Fictitious Pfabulous Pharmaceuticals is ranked 50th among Leading National Advertisers picked by *Advertising Age* in this issue and based on total U.S. ad spending in 1988, which is reported as ADVERTISING in millions of dollars.

Pfabulous Pharmaceuticals is based in Englewood Cliffs, N.J.

Sales and earnings for Pfabulous Pharmaceuticals are for its most current reporting period. Financial data for foreign companies are based on the currency conversion rate either provided by the company in its annual report or published for its country of origin in *Ad Age's* Agency Income Report, March 29, 1989.

Worldwide and U.S. sales, earnings and operating income are reported from public documents wherever possible. Financial figures for private companies are estimates.

Division sales are the business segments as defined by Pfabulous Pharmaceuticals and include revenues for comparable years.

The advertising figures in the tabular breakout under U.S. advertising by media are a composite of Pfabulous Pharmaceuticals's ad expenditures, both measured and unmeasured. See Methodology on Page 2 for an explanation of the tabular breakout.

RANK
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American Cyanamid

Wayne, N.J.
ADVERTISING: $256.2 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	4,592	4,166	10.2
Earnings	306	276	10.9
U.S.	**1988**	**1987**	**% chg**
Sales	2,831	2,618	8.1
Operating income	228	190	19.9
Division sales	**1988**	**1987**	**% chg**
Medical	1,831	1,638	11.8
Agricultural	1,066	919	16.0
Chemicals	1,102	1,042	5.8
Shulton	594	568	4.6

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	8,652	7,929	9.1
Newsp supp	0	80	NA
Newspaper	1,675	2	NA
Outdoor	76	194	(60.9)
Network TV	23,396	23,501	(0.4)
Spot TV	14,264	16,109	(11.4)
Synd TV	4,516	2,821	60.1
Network cable	1,774	2,124	(16.4)
Network radio	0	2,330	NA
Spot radio	2,881	2,891	(0.4)
Farm pub	5,631	5,423	3.8
Measured	62,865	63,410	(0.9)
Unmeasured	193,300	195,000	(0.9)
Total	256,165	258,410	(0.9)

American Cyanamid held the line on media spending for most product lines in 1988, yet its popular brands in the men's fragrance and insect control markets gained share points.

The company's big Shulton consumer group, however, stepped up ad spending for Old Spice products to $14.8 million, up 16.5%, according to LNA/Arbitron.

Old Spice aftershave and cologne's share of the men's fragrance market rose to 19.5% from 19% in 1987, while competitor Mennen Skin Bracer came in at 14.1% in 1988.

Old Spice maintained its 6.6% fourth-place share in the U.S. deodorant market. Market leader was Mennen's, whose share rose to 11.8% from 11.7%, followed by Procter & Gamble's Secret at 10.9% from 11%, and Gillette's Right Guard, which jumped to 8.3% from 6.9%.

Old Spice Liquid Stick, with porous dome designed to prevent residue, was launched in midsummer 1988 supported by $9 million in advertising. The deodorant has gained only 0.5% of the market.

Santa Fe, a cologne and aftershave introduced in November, 1988, as a "mass prestige line," adds a stick deodorant this fall. American Cyanamid backed Santa Fe with $3.7 million in measured spending for the two months in 1988.

Early results from the March 1989 introduction of men's haircare line Thrive were disappointing, said James Daniel, an analyst who follows American Cyanamid for Brown Brothers Harriman & Co., New York. American Cyanamid is still holding to its plans to spend $12 million to advertise the product through this year.

Shulton feels Thrive is being denied shelf space because retailers mistakenly considered it in the same category with Rogaine, an Upjohn prescription product for encouraging actual hair growth, Mr. Daniel said.

The Thrive line includes the supplement used before blowdrying, plus a shampoo and hairspray. Competitors are Revlon's Nutrasome, a supplement and shampoo, and Upjohn's shampoo Progaine, also introduced in early 1989.

Combat, which got an estimated $5.6 million in advertising in 1988, down 13.8%, this year added a flea and roach

Ad spending in 1988 by 100 leaders

Rank '88	Rank '87	Company/headquarters	Total spending	'88-'87 % chg	Estimated unmeasured	Subtotal measured	Measured print	Measured TV	Measured radio	Measured outdoor
1	1	**Philip Morris Cos.**, New York	**$2,058,223**	7.2	$926,200	$1,132,023	$363,961	$657,847	$48,791	$61,425
2	2	**Procter & Gamble Co.**, Cincinnati	**1,506,891**	2.8	678,100	828,791	102,640	684,158	41,311	682
3	3	**General Motors Corp.**, Detroit	**1,294,000**	34.0	345,105	948,895	293,515	573,943	78,440	2,997
4	4	**Sears, Roebuck & Co.**, Chicago	**1,045,185**	4.4	627,100	418,085	195,943	128,295	93,043	804
5	5	**RJR Nabisco**, New York	**814,537**	(3.4)	356,100	458,437	173,320	222,307	5,443	57,366
6	40	**Grand Metropolitan PLC**, London	**773,914**	(2.0)	410,800	363,114	75,730	258,498	21,090	7,796
7	7	**Eastman Kodak Co.**, Rochester, N.Y.	**735,945**	8.5	491,900	244,045	42,615	194,323	6,551	557
8	8	**McDonalds Corp.**, Oak Brook, Ill.	**728,320**	10.7	322,159	406,161	6,899	387,798	5,158	6,306
9	6	**PepsiCo Inc.**, Purchase, N.Y.	**712,347**	1.4	252,900	459,447	9,425	414,802	32,140	3,080
10	17	**Kellogg Co.**, Battle Creek, Mich.	**663,089**	21.8	261,200	401,889	23,335	378,411	73	70
11	10	**Anheuser-Busch Cos.**, St. Louis	**634,531**	4.4	222,100	412,431	21,720	325,917	58,087	6,708
12	11	**K mart Corp.**, Troy, Mich.	**632,000**	0.0	422,050	209,950	98,842	92,597	18,388	123
13	15	**Warner-Lambert Co.**, Morris Plains, N.J.	**609,156**	3.3	398,500	210,656	23,963	168,474	18,015	204
14	12	**Unilever NV**, London/Rotterdam	**607,469**	(4.0)	243,000	364,469	75,585	274,833	13,337	715
15	28	**Nestle SA**, Vevey, Switzerland	**573,820**	12.4	269,600	304,220	83,159	210,315	9,957	789
16	9	**Ford Motor Co.**, Dearborn, Mich.	**569,783**	3.0	132,800	436,983	155,574	255,383	23,870	2,157
17	16	**American Telephone & Telegraph Co.**, New York	**547,504**	3.1	200,000	347,504	104,021	224,627	18,494	361
18	14	**Chrysler Corp.**, Highland Park, Mich.	**474,009**	0.1	104,300	369,709	119,017	219,147	30,605	940
19	13	**General Mills**, Minneapolis	**470,058**	3.0	110,000	360,058	43,623	309,120	7,020	295
20	20	**Johnson & Johnson**, New Brunswick, N.J.	**468,835**	5.8	233,700	235,135	38,393	195,263	1,402	77
21	26	**Bristol-Myers Squibb**, New York	**430,693**	1.6	202,800	227,893	50,984	172,151	4,758	0
22	18	**J.C. Penney Co.**, Dallas	**426,580**	(5.5)	273,000	153,580	87,587	54,442	11,503	49
23	27	**Quaker Oats Co.**, Chicago	**423,420**	12.6	204,300	219,120	45,592	170,100	2,971	456
24	21	**Ralston Purina Co.**, St. Louis	**420,973**	(8.5)	264,200	156,773	40,616	108,842	7,155	160
25	NA	**Time Warner**, New York	**409,715**	17.1	152,400	257,315	108,943	138,673	8,851	846
26	120	**May Department Stores Co.**, St. Louis	**399,687**	(4.5)	139,900	259,787	228,661	29,982	1,024	120
27	23	**American Home Products Corp.**, New York	**393,221**	(0.3)	168,300	224,921	21,589	197,981	5,350	0
28	25	**Coca-Cola Co.**, Atlanta	**385,085**	15.2	154,100	230,985	13,993	198,758	15,696	2,538
29	38	**H.J. Heinz Co.**, Pittsburgh	**340,089**	22.1	190,000	150,089	31,506	118,222	337	24
30	24	**Mars Inc.**, McLean, Va.	**339,657**	(14.0)	151,800	187,857	15,731	163,430	8,673	23
31	31	**Sara Lee Corp.**, Chicago	**326,944**	19.6	170,500	156,444	49,038	105,756	1,586	64
32	NA	**Macy Acquiring Corp.**, New York	**308,879**	2.8	108,100	200,779	184,463	15,651	289	376
33	30	**Colgate-Palmolive Co.**, New York	**306,624**	4.9	194,100	112,524	18,876	90,794	1,509	1,344
34	36	**Walt Disney Co.**, Burbank, Calif.	**300,581**	26.6	144,300	156,281	44,865	103,050	7,823	543
35	69	**Hershey Foods Corp.**, Hershey, Pa.	**298,631**	17.5	200,100	98,531	19,362	69,137	10,001	32
36	29	**U.S. Government**, Washington	**295,100**	(5.2)	119,828	175,272	53,321	88,671	22,140	11,140
37	32	**General Electric Co.**, Fairfield, Conn.	**276,611**	3.3	149,100	127,511	67,207	55,270	3,506	1,527
38	33	**Toyota Motor Corp.**, Toyota City, Japan	**272,945**	18.3	81,900	191,045	42,200	141,469	6,554	822
39	NA	**SmithKline Beecham**, London	**264,199**	19.9	120,300	143,899	16,339	122,868	4,460	232
40	35	**Schering-Plough Corp.**, Madison, N.J.	**262,173**	(0.6)	133,200	128,973	41,902	74,466	12,458	148
41	104	**Campeau Corp.**, Toronto	**260,467**	(8.3)	112,000	148,467	126,965	17,590	3,891	20
42	34	**American Cyanamid Co.**, Wayne, N.J.	**256,165**	(0.9)	193,300	62,865	15,959	43,950	2,881	76
43	131	**American Stores Co.**, Salt Lake City, Utah	**250,518**	3.6	128,600	121,918	62,083	51,416	7,243	1,176
44	44	**American Express Co.**, New York	**247,201**	5.9	72,200	175,001	59,756	105,663	9,542	41
45	37	**Honda Motor Co.**, Tokyo	**243,258**	11.1	66,200	177,058	51,247	112,104	13,256	451
46	42	**Tandy Corp.**, Fort Worth, Texas	**232,026**	0.4	147,000	85,026	42,183	36,485	6,222	138
47	113	**Dayton Hudson Corp.**, Minneapolis	**230,196**	1.1	106,400	123,796	90,849	27,032	5,732	184
48	46	**Pfizer Inc.**, New York	**230,052**	17.8	137,900	92,152	28,653	63,119	381	0
49	47	**Nissan Motor Co.**, Tokyo	**224,947**	40.7	47,600	177,347	44,278	123,460	8,633	977
50	39	**IBM Corp.**, Armonk, N.Y.	**214,381**	(3.5)	102,300	112,081	51,759	54,653	5,647	22
51	52	**Hyundai Group**, Seoul, S. Korea	**204,497**	25.2	58,600	145,897	25,498	111,571	8,459	369
52	41	**Campbell Soup Co.**, Camden, N.J.	**202,460**	(4.7)	64,800	137,660	23,261	90,093	22,767	1,539
53	61	**Adolph Coors Co.**, Golden, Colo.	**200,812**	28.0	74,300	126,512	4,791	103,383	15,442	2,897
54	83	**B.A.T. Industries PLC**, London	**184,106**	(10.1)	82,200	101,906	68,397	5,321	3,855	24,333
55	43	**BCI Holdings Corp.**, Chicago	**180,191**	16.0	93,700	86,491	16,852	64,930	4,579	131
56	51	**Revlon Group**, New York	**177,348**	2.4	88,200	89,148	49,760	38,436	933	19
57	57	**American Brands**, Old Greenwich, Conn.	**168,716**	13.0	93,400	75,316	54,180	8,733	572	11,831
58	67	**Hasbro Inc.**, Pawtucket, R.I.	**164,491**	7.8	32,900	131,591	4,398	127,176	16	1
59	85	**Gillette Co.**, Boston	**160,452**	31.3	74,600	85,852	18,545	66,424	543	340
60	62	**Nynex Corp.**, New York	**160,375**	23.6	77,000	83,375	34,142	42,800	6,252	180
61	NA	**Carter Hawley Hale Stores**, Los Angeles	**159,817**	31.9	71,900	87,917	76,106	10,513	1,298	1
62	65	**Dow Chemical Co.**, Midland, Mich.	**156,670**	14.5	38,400	118,270	26,002	88,210	3,981	76
63	50	**Mobil Corp.**, New York	**155,947**	9.4	106,800	49,147	13,822	28,215	7,084	26
64	NA	**Montgomery Ward & Co.**, Chicago	**155,329**	7.9	76,700	78,629	63,535	4,849	10,232	13
65	93	**MCA Inc.**, Universal City, Calif.	**153,658**	31.7	61,800	91,858	26,920	57,305	6,083	1,550
66	87	**Clorox Co.**, Oakland, Calif.	**148,251**	35.9	37,100	111,151	15,514	92,206	3,429	2
67	56	**Mazda Motor Corp.**, Hiroshima	**146,655**	(4.7)	39,300	107,355	34,787	68,633	3,934	0
68	82	**Philips NV**, Eindhoven, The Netherlands	**144,311**	46.6	72,400	71,911	15,034	54,557	2,301	18
69	73	**Kroger Co.**, Cincinnati	**144,084**	(22.5)	80,100	63,984	23,854	36,223	2,094	1,813
70	70	**Seagram Co.**, Montreal	**143,102**	13.3	36,000	107,102	38,485	57,594	1,745	9,278
71	49	**Volkswagen AG**, Troy, Mich.	**140,336**	(2.6)	42,100	98,236	37,613	48,652	11,906	64
72	116	**Paramount Communications**, New York	**139,241**	26.1	55,400	83,841	26,666	55,748	1,372	55
73	127	**News Corp.**, Sydney	**139,140**	4.6	17,100	122,040	26,593	72,272	23,094	82
74	72	**CPC International**, Englewood Cliffs, N.J.	**134,417**	21.7	82,900	51,517	13,339	36,564	1,378	237
75	77	**Wm. Wrigley Jr. Co.**, Chicago	**134,155**	12.5	11,200	122,955	6,080	111,669	4,986	220
76	60	**Bayer AG**, Leverkusen, W. Germany	**132,188**	(7.6)	52,100	80,088	8,711	52,421	18,791	166
77	59	**E.I. du Pont de Nemours & Co.**, Wilmington, Del.	**131,435**	0.4	41,900	89,535	42,150	44,592	2,719	74
78	68	**Texas Air Corp.**, Houston	**128,820**	5.2	22,100	106,720	84,997	11,521	8,765	1,437
79	66	**Noxell Corp.**, Hunt Valley, Md.	**126,698**	(9.9)	53,400	73,298	25,994	45,453	1,808	43
80	53	**U.S. Dairy Farmers**, Arlington, Va.	**126,604**	(12.2)	38,300	88,304	1,384	76,068	10,093	759
81	108	**Sony Corp.**, Tokyo	**125,928**	29.2	50,400	75,528	63,335	11,564	601	29
82	90	**Goodyear Tire & Rubber Co.**, Akron, Ohio	**124,644**	25.9	74,800	49,844	15,447	33,316	974	108
83	74	**Loews Corp.**, New York	**123,821**	21.4	54,500	69,321	36,427	93	0	32,802
84	105	**Levi Strauss Associates**, San Francisco	**123,107**	39.4	71,800	51,307	6,184	44,473	573	77
85	NA	**Columbia Pictures Entertainment**, New York	**122,374**	23.4	36,900	85,474	23,532	60,955	971	17
86	75	**Dr Pepper/Seven-Up**, Dallas	**121,947**	3.6	42,800	79,147	2,417	70,684	5,515	532
87	55	**AMR Corp.**, Fort Worth	**120,650**	(6.9)	32,300	88,350	37,746	39,208	11,203	194
88	94	**Marriott Corp.**, Washington	**120,189**	9.7	75,800	44,389	15,860	26,133	1,446	950
89	64	**UAL Corp.**, Elk Grove Village, Ill.	**120,176**	3.4	38,500	81,676	17,504	52,589	11,481	101
90	91	**Hallmark Cards**, Kansas City, Mo.	**119,840**	29.6	48,600	71,240	22,373	43,664	5,202	1
91	136	**Citicorp**, New York	**118,362**	24.5	34,500	83,862	22,970	58,237	2,590	65
92	58	**ITT Corp.**, New York	**115,940**	(17.8)	77,500	38,440	15,461	21,240	476	1,263
93	95	**Franklin Mint**, Franklin Center, Pa.	**114,802**	55.2	24,700	90,102	84,128	5,974	0	0
94	81	**Wendy's International**, Dublin, Ohio	**114,211**	5.1	27,300	86,911	163	84,399	603	1,747
95	63	**Bell Atlantic Corp.**, Philadelphia	**113,189**	(15.1)	64,600	48,589	8,520	32,224	7,248	597
96	80	**Delta Air Lines**, Atlanta	**112,580**	7.1	33,900	78,680	25,915	31,488	19,948	1,329
97	48	**Whitman Corp.**, Chicago	**111,700**	(10.5)	44,700	67,000	5,485	50,571	10,864	79
98	89	**S.C. Johnson & Son**, Racine, Wis.	**111,571**	8.8	49,500	62,071	21,041	36,166	4,595	269
99	98	**Borden Inc.**, New York	**110,470**	46.4	72,900	37,570	12,439	20,144	4,873	114
100	78	**Subaru of America**, Cherry Hill, N.J.	**108,020**	2.6	31,600	76,420	15,264	58,888	2,267	1

Note: Dollars are in thousands. Print includes newspaper, magazine, newspaper supplement and farm publication spending. TV includes network, spot, cable and syndicated TV time. Radio includes network and spot. See "Methodology and sources," P. 2 for more information.

AA chart: Kevin Brown

Total national ad spending by media

Category	100 Leading National Advertisers Ad spending 1988	1987	% chg	% total 1988	1987	All U.S. advertising expenditures Spending in measured media 1988	1987	% chg	Leaders' % measured 1988	1987	Coen estimates* 1988	1987
Magazine	$2,597.1	$2,360.4	10.0	8.1	7.8	$5,884.7	$5,389.8	9.2	44.1	43.8	$6,072.0	$5,607.0
Newspaper supplement	186.4	138.5	34.6	0.6	0.5	638.0	422.1	51.1	29.2	32.8	NA	NA
Newspaper	2,351.9	2,155.3	9.1	7.3	7.1	8,313.6	8,456.0	(1.7)	28.3	25.5	31,197.0	29,412.0
Outdoor	274.8	257.0	6.9	0.9	0.9	718.2	702.6	2.2	38.3	36.6	1,064.0	1,025.0
Network TV	6,985.7	6,499.8	7.5	21.7	21.5	9,580.3	8,814.5	8.7	72.9	73.7	9,172.0	8,500.0
Spot TV	3,452.0	3,479.6	(0.8)	10.7	11.5	8,609.9	8,395.7	2.6	40.1	41.4	14,417.0	13,679.0
Syndicated TV	685.6	570.6	20.2	2.1	1.9	900.0	761.8	18.1	76.2	NA	901.0	762.0
Cable TV	402.1	331.2	21.4	1.2	1.1	748.0	607.2	23.2	53.8	54.5	1,196.0	963.0
Network radio	420.5	391.7	7.4	1.3	1.3	657.2	609.5	7.8	64.0	64.3	425.0	413.0
Spot radio	592.7	531.3	11.6	1.8	1.8	1,620.4	1,445.5	12.1	36.6	36.8	7,373.0	6,793.0
Farm publications	32.0	32.3	(1.1)	0.1	0.1	165.2	163.4	1.1	19.4	19.8	196.0	196.0
Subtotal measured	17,980.8	16,747.7	7.4	55.8	55.5	37,835.5	35,768.1	5.8	47.5	46.8	72,013.0	67,350.0
Estimated unmeasured	14,227.6	13,446.2	5.8	44.2	44.5	80,214.5	73,881.9	8.6	17.7	18.2	46,037.0	42,300.0
Total ad spending	32,208.5	30,193.9	6.7	100.0	100.0	118,050.0	109,650.0	7.7	27.3	27.5	118,050.0	109,650.0

Note: Dollars are in millions. **Sources:** LNA/Arbitron and Radio Expenditure Reports. * Total U.S. advertising volume as estimated by Robert J. Coen, McCann-Erickson. See "Methodology and sources," Page 2 for more information.

AA chart: Kevin Brown

National ad spending by category

Category	Year	Total spending	Magazine	Newspaper supp.	Newspaper	Outdoor	Network TV	Spot TV	Syndicated TV	Cable TV	Network radio	Spot radio
Retail	**1988**	**$5,715.0**	**$172.7**	**$83.4**	**$3,530.3**	**$83.1**	**$271.9**	**$1,355.2**	**$13.4**	**$22.7**	**$89.9**	**$92.5**
	1987	5,584.3	140.3	23.7	3,642.0	69.8	194.8	1,328.7	13.4	20.6	75.7	75.3
Automotive	**1988**	**4,931.3**	**800.1**	**26.4**	**819.3**	**59.9**	**1,331.0**	**1,638.5**	**30.5**	**57.2**	**72.0**	**196.5**
	1987	4,317.8	677.7	15.7	810.0	57.9	1,044.1	1,424.7	28.2	45.3	57.9	156.3
Business, consumer svcs.	**1988**	**3,725.7**	**463.7**	**34.5**	**1,330.9**	**63.6**	**720.0**	**747.2**	**21.5**	**69.1**	**70.8**	**204.5**
	1987	3,507.9	494.1	26.9	1,413.6	56.8	569.8	645.6	19.5	40.2	64.7	176.7
Food	**1988**	**3,655.9**	**376.5**	**21.7**	**48.7**	**13.3**	**1,573.7**	**918.4**	**229.6**	**89.4**	**75.8**	**308.7**
	1987	3,558.5	376.7	13.4	60.2	15.0	1,544.7	950.2	192.4	76.2	69.4	260.4
Entertainment	**1988**	**2,482.5**	**27.8**	**2.3**	**492.5**	**44.5**	**714.9**	**1,095.1**	**39.9**	**32.4**	**3.7**	**29.4**
	1987	2,314.7	30.1	2.6	434.4	40.4	654.0	1,070.9	20.2	27.7	4.0	30.5
Toiletries, cosmetics	**1988**	**2,086.[illegible]**	**565.4**	**28.9**	**7.1**	**3.7**	**941.9**	**289.8**	**133.4**	**70.4**	**26.0**	**19.6**
	1987	1,936.4	468.4	14.4	8.7	2.0	947.4	273.5	118.1	55.8	24.7	23.4
Travel, hotels	**1988**	**1,955.4**	**303.4**	**36.6**	**886.1**	**55.3**	**192.9**	**288.7**	**3.3**	**18.5**	**35.7**	**134.8**
	1987	1,834.9	272.9	20.1	880.7	54.9	150.0	264.7	2.9	20.3	20.4	148.1
Drugs & remedies	**1988**	**1,534.6**	**144.1**	**9.1**	**91.4**	**11.5**	**783.3**	**248.3**	**85.3**	**52.2**	**73.4**	**35.9**
	1987	1,464.1	142.2	5.9	83.4	13.2	757.9	235.9	75.0	38.3	77.8	34.5
Beer, wine & liquor	**1988**	**1,298.5**	**212.8**	**12.9**	**30.1**	**50.0**	**493.3**	**264.4**	**27.7**	**37.9**	**16.3**	**145.1**
	1987	1,342.0	207.7	9.1	39.3	69.5	529.5	244.4	26.3	40.0	23.9	152.2
Snacks & soft drinks	**1988**	**1,173.5**	**51.1**	**2.7**	**15.9**	**7.4**	**492.8**	**370.6**	**99.8**	**39.7**	**38.9**	**56.5**
	1987	1,148.8	43.0	0.9	22.1	9.6	451.5	410.3	76.7	42.6	43.6	48.4
Direct response cos.	**1988**	**1,046.8**	**446.3**	**187.5**	**110.1**	**4.7**	**34.7**	**142.8**	**15.0**	**57.7**	**48.0**	**NA**
	1987	959.7	405.3	139.7	130.7	3.6	29.6	157.9	9.9	41.5	41.5	NA
Insurance & real estate	**1988**	**859.7**	**126.8**	**19.4**	**306.4**	**32.6**	**212.3**	**98.8**	**1.6**	**11.6**	**17.4**	**32.9**
	1987	832.4	122.1	17.1	260.6	36.1	209.7	124.7	1.3	11.2	16.8	32.8
Apparel, footwear	**1988**	**760.1**	**350.6**	**27.8**	**11.8**	**6.9**	**208.4**	**66.1**	**13.1**	**25.5**	**2.1**	**47.8**
	1987	644.0	310.2	20.9	19.5	6.1	158.3	58.6	11.5	13.9	4.6	40.4
Publishing & media	**1988**	**693.3**	**190.8**	**6.3**	**220.1**	**40.0**	**11.0**	**138.4**	**2.4**	**13.4**	**10.9**	**52.0**
	1987	693.5	186.1	25.5	225.4	45.0	9.7	133.8	1.4	11.9	9.5	45.3
Cigarettes, tobacco	**1988**	**656.3**	**351.7**	**49.9**	**55.5**	**184.6**	**1.4**	**7.6**	**0.4**	**0.9**	**3.6**	**0.8**
	1987	599.5	333.6	27.0	63.8	164.7	1.2	5.5	0.3	0.4	1.6	1.3
Household equip.	**1988**	**613.2**	**101.3**	**7.7**	**23.1**	**0.7**	**269.8**	**124.3**	**20.1**	**22.6**	**14.2**	**21.5**
	1987	646.7	97.5	7.0	31.1	0.9	291.4	151.1	24.2	14.3	12.0	17.3
Computers, office equip.	**1988**	**602.1**	**250.7**	**7.6**	**56.6**	**2.2**	**197.4**	**29.9**	**2.2**	**10.0**	**18.3**	**27.2**
	1987	561.2	241.2	2.3	64.5	2.5	167.9	32.4	1.7	7.7	17.8	23.2
Soaps, cleansers	**1988**	**572.8**	**50.8**	**1.0**	**2.7**	**1.0**	**310.3**	**131.1**	**41.4**	**21.2**	**3.9**	**9.5**
	1987	570.0	51.4	2.2	1.6	0.1	317.9	132.0	40.8	12.9	2.6	8.5
Sporting goods, toys	**1988**	**559.2**	**117.3**	**1.9**	**7.8**	**0.3**	**120.0**	**210.3**	**63.1**	**22.0**	**1.2**	**15.3**
	1987	551.6	89.6	1.8	6.2	0.2	132.4	227.7	60.3	22.1	1.7	9.5
Building materials	**1988**	**393.3**	**87.4**	**9.0**	**56.8**	**1.6**	**112.2**	**79.9**	**1.7**	**12.9**	**6.8**	**25.0**
	1987	362.5	76.8	3.9	63.8	2.2	93.4	81.7	2.5	9.3	7.7	21.3
Jewelry, cameras	**1988**	**375.5**	**136.7**	**6.6**	**12.1**	**2.2**	**124.8**	**45.6**	**7.1**	**8.4**	**1.6**	**30.3**
	1987	364.2	116.9	5.0	12.7	2.5	137.3	45.1	4.5	10.5	2.2	27.4
Electronic entertainment	**1988**	**312.4**	**68.4**	**7.7**	**8.9**	**1.3**	**65.0**	**80.2**	**10.0**	**22.6**	**10.8**	**11.7**
	1987	253.8	78.2	13.7	15.2	1.7	46.9	63.4	3.4	15.8	7.1	8.5
Household furnishings	**1988**	**306.4**	**114.2**	**23.4**	**36.9**	**0.9**	**78.2**	**49.3**	**0.5**	**1.9**	**1.1**	**NA**
	1987	273.0	111.4	8.7	38.5	1.1	51.4	58.6	0.8	1.6	0.9	NA
Miscellaneous	**1988**	**306.3**	**156.7**	**16.1**	**63.2**	**22.5**	**0.2**	**12.5**	**1.6**	**1.9**	**0.2**	**41.8**
	1987	289.2	154.0	9.1	30.7	37.9	15.8	7.3	3.4	1.8	1.0	28.2
Gasoline, lubricants	**1988**	**292.1**	**22.7**	**0.4**	**21.3**	**4.7**	**55.1**	**124.3**	**0.3**	**6.1**	**3.1**	**54.1**
	1987	279.1	16.4	0.6	21.0	5.7	52.3	123.5	2.7	8.0	4.1	44.9
Pets, pet foods	**1988**	**247.0**	**31.1**	**1.2**	**3.8**	**0.2**	**126.8**	**42.2**	**23.9**	**9.4**	**6.8**	**1.8**
	1987	280.6	24.2	2.2	5.4	0.2	164.9	51.0	18.2	6.7	7.0	0.9
Horticulture & farming	**1988**	**219.3**	**23.5**	**3.8**	**48.9**	**2.0**	**39.4**	**67.0**	**2.9**	**5.4**	**5.5**	**21.1**
	1987	230.4	21.1	1.7	43.2	1.3	41.5	75.1	2.1	6.4	7.8	25.1
Freight, industrial	**1988**	**144.7**	**41.0**	**1.8**	**11.2**	**0.2**	**65.9**	**21.4**	**0.0**	**2.4**	**0.9**	**NA**
	1987	82.4	33.8	0.2	10.6	0.1	27.3	7.0	NA	2.2	1.3	NA
Industrial materials	**1988**	**108.6**	**53.5**	**0.5**	**9.0**	**1.0**	**31.5**	**11.4**	**0.2**	**1.5**	**NA**	**NA**
	1987	79.9	40.7	0.4	7.6	0.9	21.8	7.0	0.2	1.3	NA	NA
Business propositions	**1988**	**26.2**	**13.1**	**0.3**	**2.5**	**0.3**	**NA**	**4.1**	**0.1**	**0.8**	**0.5**	**4.8**
	1987	27.6	14.6	0.6	2.5	0.9	NA	3.4	NA	0.4	NA	5.2
Airplanes, aviation	**1988**	**16.2**	**12.5**	**NA**	**2.6**	**0.1**	**0.3**	**0.5**	**NA**	**0.3**	**NA**	**NA**
	1987	14.2	11.9	NA	2.1	0.1	NA	0.0	NA	0.1	NA	NA
TOTAL	**1988**	**37,879.2**	**5,884.7**	**638.0**	**8,313.6**	**718.2**	**9,580.3**	**8,609.9**	**900.0**	**748.0**	**657.2**	**1,620.4**
	1987	35,604.6	5,389.8	422.1	8,456.0	702.6	8,814.4	8,395.7	731.8	607.2	609.5	1,445.5

Note: Dollars are in millions. **Sources:** LNA/Arbitron and Radio Expenditure Reports. See "Methodology and sources," Page 2 for more information.

AA chart: Kevin Brown

fogger and aerosol sprays for ants and roaches and flying insects. Combat climbed to a 14% share, from 12%, in the household pesticide market. The company estimates Combat's strong sales in 1989 have elevated its market share another two points.

Raid (S.C. Johnson & Son) continues to dominate the market, however, with 49% of the market compared to 53% in 1987, although Shulton sources believe Raid has built back three share points already this year. Black Flag, which Combat nudged out of second place in 1988, took about 14% of the market in both 1987 and 1988, and about 13% so far this year.

Pine-Sol, which began advertising its reformulation in February 1989, continues to lead the all-purpose liquid cleaners category. It dipped to 12% in 1988 from 12.5%, but by this July, was registering about a 13% share, said K.M. Freeman, VP-general manager for household products. LNA/Arbitron estimates 1988 ad spending at $9.5 million.

A line extension, Pine-Sol Spruce-Ups, disposable moist wipe cleaners, begins shipping in October and will be backed beginning in December with a $7 million one-year TV and print campaign.

Introduced two years ago, FiberCon lags behind bulk laxative leader Metamucil, but continues to gain market share. FiberCon's first quarter growth in manufacturer's dollar sales hit 30%, and the product is believed to be neck-in-neck with Dow Chemical's Citrucel for the No. 2 spot. In March of this year, FiberCon's share was estimated at 7%, up from 5.8% at the same period a year earlier. Citrucel was 7%, up from 6.4% and Metamucil was 52%, from 51.7%.

Centrum vitamins, reformulated to include beta carotene, were backed by an estimated $7.9 million in ad spending in 1988.

AMERICAN CYANAMID CO.

One Cyanamid Plaza
Wayne, N.J. 07470
(201) 831-2000

Agricultural Group

Marketing personnel: Thomas J. Raser, comm mgr; Lisa J. Dry, adv & sales promo mgr, VPC Ventures; James Modica, prod info mgr, crop protection chemicals; Jeffrey A. Winton, adv mgr-crop protection chemicals; Christine B. Cannon, adv & sales promo mgr, animal nutrition & health, VPC Ventures; David Butterfield, dir-public affairs.

Brands/services by agency of record: -

Cythion
Malathion

Ad agency: H.T. Fenton Inc., Somerville, N.J.: Harry Fenton, acct mgr; Karna Godridge, acct super; Andrea Bestul, acct exec.

■

Aastar
Scepter
Thimet
Pursuit
Pursuit Plus & H prods
VPC prods

Ad agency: Miller-Meester, Minneapolis: Paul Durham, acct super, prod publicity.

■

Amdro
Assert
Avenge
Counter
Cygon
Cyprex
Prowl

Ad agencies: Tucker Wayne/Luckie & Co., Atlanta: L.E. Ver Steegh, Mark Kirpatrick, sr vps; Mike Butler, acct super.

Duduyk Co., Horsham, Pa.: Marilyn Cummins, acct super.

Chemicals Group
Chemical/Industrial Products
Chemical International Divisions
Wayne, N.J.

Marketing personnel: Diane L. Flood, mgr-mktg comm.

Brands/services by agency of record:

Chemical & industrial prods

Ad agency: Marketing Communications Associates, Conschocken, Pa.: Harry Blynn, president.

Venture Chemicals
Polymer Products Division
Wayne, N.J.

Marketing personnel: Jayme Kulesz, mgr-mktg comm.

Brands/services by agency of record:

Venture chemicals
& polymer prods

Ad agency: Marketing Communications Associates, Conchocken, Pa.: Harry Blynn, president.

Fibers Division

Marketing personnel: Jeanne B. Simmons, mgr-mktg comm.

Brands/services by agency of record:

Creslan acrylic fibers

Ad agency: Beaumont-Bennett, New York: Ira Berkowitz, president; Robin Sidwa, acct super.

Lederle Laboratories
Wayne, N.J.

Marketing personnel: Jack E. Dorsey, dir-mktg svcs, pharmaceuticals; Mark D. Perrin, vp-genl mgr, consumer health prods; R.C. McLauchlin, vp-genl mgr, pharmaceuticals; T.S. Lytle, vp-mktg, pharmaceuticals; Raymond W. Tiedmann, vp-genl mgr, standard prods.

Brands/services by agency of record:

Pharmaceuticals

Ad agencies: (In-house): Lederle Dedicated Agency: J. Kashiwabara, exec dir.

Dugan/Farley Communications, Montvale, N.J.: E.J. Farley, exec vp.

Trunk, Shea & McCaffrey, New York: Paul Trunk, president; Tom Shea, exec vp.

Harrison, Star, Weiner & Beitler, New York: Tom Harrison, president.

Dorritie & Lyons, New York: John Dorritie, president; Michael Lyons, exec vp.

Consumer Products
Shulton USA Division
Clifton, N.J.

Marketing personnel: Toiletries & fragrances: G.S. Balkema, vp-genl mgr; T.J. Kuhn, vp-mktg. Household prods: K.M. Freeman, vp-genl mgr; A.B. Lowry, vp-mktg. Lederle consumer health prods: M.D. Perrin, vp-genl mgr; R.M. Lynch, vp-mktg; L.. Lent, dir-mktg svcs; J.B. Gibbs, dir-adv & promo; J.M. Loyd, dir-mkt rsch.

Brands/services by agency of record:

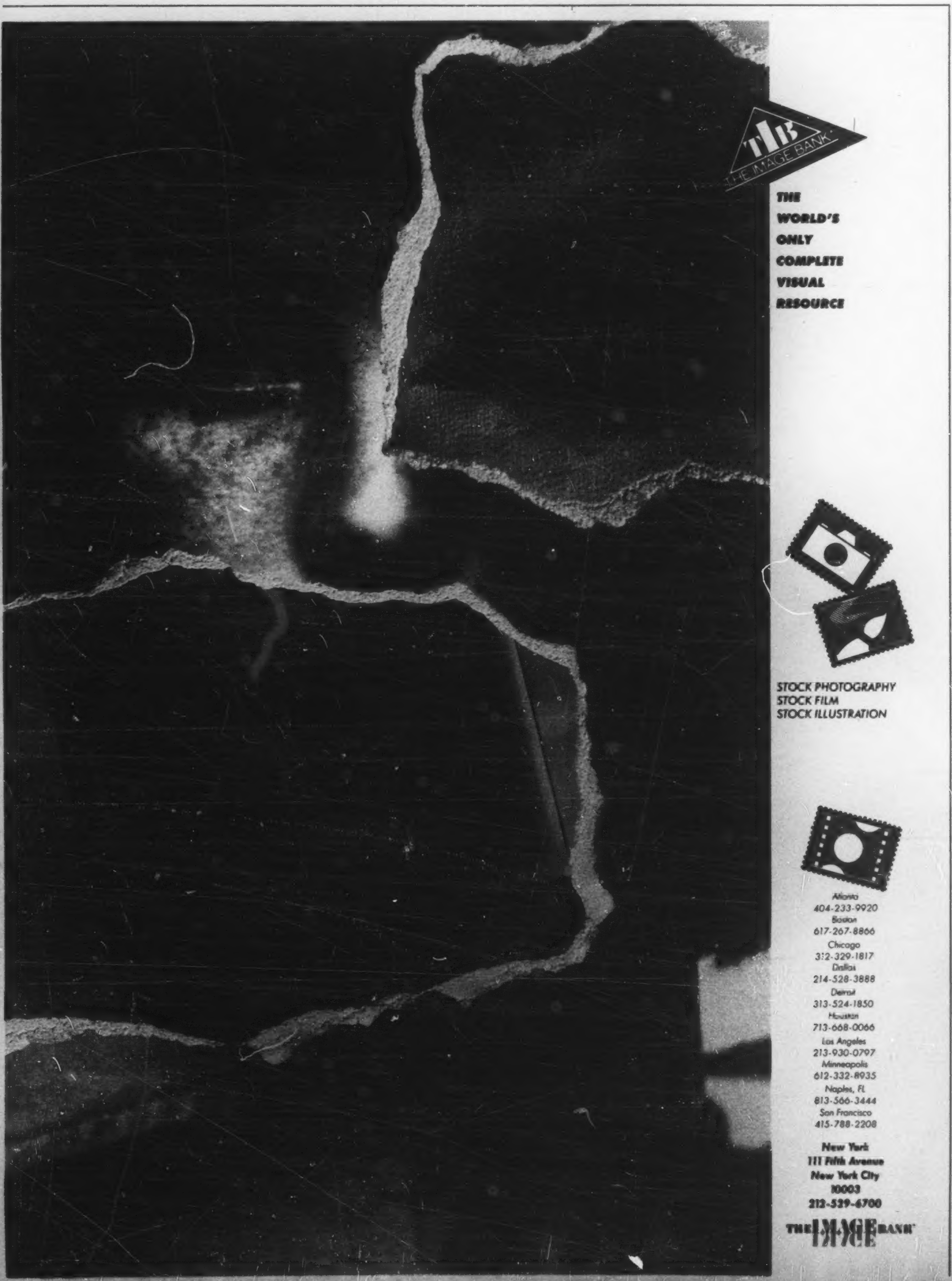
Old Spice
Night Spice
Pierre Cardin
Santa Fe
Breck
Thrive

Ad agency: Scali, McCabe, Sloves, New York: J.K. Green, exec vp; Ueli Morant, sr vp.

■

Centrum
Centrum Jr.
Caltrate
FiberCon
Lady's Choice
Pine-Sol
Combat

Ad agency: Carrafiello, Diehl & Associates, Irvington, N.Y.: A.L. Carrafiello, president; R.C. Brandt, exec vp; E.R. Petray, sr vp.



RANK
44

American Express Co.

New York
ADVERTISING: $247.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	22,934	17,655	29.9
Earnings	1,038	533	94.7
■ U.S.	**1988**	**1987**	**% chg**
Sales	19,079	14,572	30.9
Operating income	1,076	1,375	(21.7)
■ Division sales	**1988**	**1987**	**% chg**
Travel related services	7,356	6,037	21.8
IDS financial	3,534	3,000	17.8
American Express Bank	1,738	1,733	0.3
Shearson Lehman Hutton	10,529	3,749	180.8

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	27,816	26,012	6.9
Newsp supp	[illegible]	2,827	(18.7)
Newspaper	30,251	29,286	3.3

■ Media	1988	1987	% chg
Outdoor	41	50	(17.8)
Network TV	76,961	66,126	16.4
Spot TV	24,189	29,509	(18.0)
Synd TV	1,781	2,135	(16.6)
Network cable	2,733	1,410	93.8
Network Radio	3,681	4,038	(8.8)
Spot radio	5,861	4,541	29.1
Measured	175,001	165,134	6.0
Unmeasured	72,200	68,200	5.9
Total	247,201	233,334	5.9

American Express, which long has cultivated its prestige image in advertising, is starting to go a tad downscale.

As the 30-year-old AmEx credit card battles to increase usage, tests are under way to accept the card at fast-food chains, discount stores and movie theaters. Currently, about 2.5 million merchants are signed up with AmEx compared with 6.5 million for Visa.

The AmEx strategy for the 1990s is to cultivate a dozen marketing segments, including colleges, small businesses, women and seniors.

Several industry analysts are less than enthusiastic about AmEx's prospects. Spencer Nilson, publisher of the "Nilson Report," a credit-card industry newsletter, believes AmEx will lose about one-third of its 22 million cardmember base by 1995. Other analysts also agree that lower fee bank cards will take an increasingly larger share of the premium card market.

In the hot gold card market, Visa Gold has 12.2 million card members with Gold MasterCard second at 11 million. American Express has 6 million, although it has always boasted that its customers carry higher incomes. However, the income gap between the average household of American Express' cardmember base and that of its bank competitors has narrowed. The average household income of American Express' cardmember is $48,175 compared with $43,250 for bank cardholders.

AmEx's gold card focus now is more pedestrian as it seeks growth through baby boomers via advertising from new agency Chiat/Day/Mojo, New York.

New campaigns have shifted from the exotic locations and luxurious dining settings of the past to healthcare and family dining.

American Express also is looking at an audience where money is an object. AmEx is testing in the Chicago area an "Express Weekend" program for travelers who want to take advantage of last-minute air fare, hotel or car rental discounts on short notice.

American Express also is joining with travel/entertainment marketers in co-op programs. As part of a year-long joint program with Hilton Hotels, extra points were awarded hotel guests who charged their stays on American Express.

AmEx has increased significantly its spending on travelers checks under a new program which hand delivers refunds anywhere in the world at no charge by simply making a phone call. The ad campaign, at $32 million, is up 60%.

Although American Express has been the target of both Visa and MasterCard in the gold card wars, the AmEx travelers checks campaign was the company's first slap at the banks. "If your bank doesn't sell them, go to one that does," the spots urge.

The company, meanwhile, has taken its billing process high tech, offering not only a consumer benefit, but one with great marketing potential. AmEx can track charge slips to identify cardholders as frequent travelers to a particular region, enthusiasts of a certain hobby or sport or even type of restaurant.

AMERICAN EXPRESS CO.
American Express Tower
World Financial Center
New York, N.Y. 10285-3130
(212) 640-4940

Marketing personnel: Carlos Ordonez, vp-adv, personal card; Lewis Taffer, sr vp, establishment svcs mktg, U.S. & natl accts; Joan Bonette, vp, personal card comm; Pam Guyot, vp, gold card comm & adv; Mary Miller, vp, platinum card mktg; Ann Busquet, sr vp-genl mgr, Optima Card div; Thomas F. Cash, sr vp, FSI mktg & sales, Travelers Cheque div; Pamela Paul, vp-worldwide mktg; Barbara Barsa, vp, travel mgmt svcs mktg; Leo Toralballa, sr vp, personal card acquisition.

Brands/services by agency of record:

Gold Card

Ad agencies: Chiat/Day/Mojo, New York: Steven Friedman, group mgmt super; Virginia Pirie, mgmt super; Patty Reis, acct super.

Perkins/Butler, New York: Sandra Finley, mgmt super; Roxanne Takara, Anne DeSalvo, acct supers.

■

American Express card

Ad agency: Ogilvy & Mather, New York: Brendan Ryan, exec dir; David Warden, sr vp-group dir.

Shearson Lehman Hutton
New York

Marketing personnel: Joseph Plumeri, sr exec vp, dir-mktg & sales; Cathleen B. Stewart, exec vp, dir-consumer mktg; Catherine Kaputa, first vp, dir-adv; Barbara Glasser, assist vp-adv mgr.

Brands/services by agency of record:

Shearson Lehman Brothers

Ad agency: Ally & Gargano, New York: Amil Gargano, chmn; Bill Bishop, president.

IDS Financial Services
Minneapolis

Marketing personnel: Jeffrey Steifler, exec vp-mktg & sales; Reed Saunders, sr vp-financial planning; Michael J. Rothmeier, sr vp-mktg; Laura Zimmerman, segment mktg mgr.

Brands/services by agency of record:

IDS Financial Services

Ad agency: Ogilvy & Mather, New York: Brendan Ryan, exec dir; David Warden, sr vp-group dir.

American Home Products Corp.

RANK
27

New York
ADVERTISING: $393.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,501	5,028	9.4
Earnings	932	845	10.3
■ U.S.	**1988**	**1987**	**% chg**
Sales	3,789	3,536	7.2
Operating income	1,038	1,006	3.1
■ Division sales	**1988**	**1987**	**% chg**
Pharmaceuticals	2,609	2,359	10.6
Consumer healthcare	921	863	6.8
Medical supplies	609	566	7.6
Food prods	651	575	13.2
Household prods	711	665	6.9

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	13,516	13,907	(2.8)
Newsp supp	75	103	(27.4)
Newspaper	7,998	222	3,498.0
Outdoor	0	3	NA
Network TV	163,363	182,057	(10.3)
Spot TV	22,551	14,917	51.2
Synd TV	3,895	3,450	12.9
Network cable	8,174	7,254	12.7
Network Radio	4,323	2,534	70.6
Spot radio	1,027	1,208	(15.0)
Measured	224,921	225,654	(0.3)
Unmeasured	168,300	168,800	(0.3)
Total	393,221	394,454	(0.3)

American Home Products Corp., a major competitor in the red hot analgesics marketing wars, continues to shuffle its advertising agencies.

Most recently, AHP yanked $40 million of business from its long-time agency of record, Campbell-Mithun-Esty, New York, after balking at the agency's new style. A year earlier, a battery of products was taken from N W Ayer and Saatchi & Saatchi and scattered among other agencies, with McCann-Erickson gaining most.

The $25.7 million Anacin business at CME was turned over to Young & Rubicam, New York, which also handles Advil. Marketed under AHP's Whitehall Laboratories, Anacin holds a 7% share in the $2.4 billion pain relief arena led by Johnson & Johnson's Tylenol.

Within the aspirin segment, Anacin produces 16% of sales. Aspirins account for 40% of all pain relief sales while acetaminophens produce another 40%. Fledgling ibuprofens account for 20%, according to Nielsen Marketing Research, which says ibuprofen sales increased 14% last year while the other segments posted declines.

Whitehall's acetaminophen entry, Anacin-3, also was turned over to a new agency, Partners & Shevack, which is in charge of the $13.6 million account since acquiring Kornhauser & Calene.

Whitehall has been pleased with Y&R's efforts to keep Advil the leading ibuprofen. It was the first to enter the market in 1984 and has held an impressive 64% of the business ever since. Bristol-Myers' Nuprin is second with a 22% share, according to Charles Kline & Associate figures; J&J's Medipren has about 13%.

Measured spending for Advil totaled $47.5 million in 1988, down 1.9%. Industry sources expect Whitehall will rev up spending in 1989 to stave off competition from B-M's Nuprin and Upjohn's newly released Motrin IB. B-M executives have stated they want to make Nuprin the No. 1 brand and will spend $31 million to do so. Upjohn has earmarked $30 million for Motrin, to be spent in just the second half of the year.

Retailers said Whitehall plans to capitalize on its strong Advil franchise with a Co-Advil cold product. Whitehall already has a strong entry in the cold, allergy and sinus classification with Dristan. Two new Dristan items debuted last year, Maximum Strength Dristan Caplets with a no-drowsiness formula and long-lasting and regular formulations of Dristan Nasal Spray. Total Dristan spending was $17.6 million, up 14.3% from 1987, according to LNA/Arbitron.

Other products falling under the Whitehall umbrella are Primatene, Denorex shampoo, Riopan, Anbesol, Preparation H, Clearblue pregnancy tests and the Today Sponge, which was acquired in 1987 and was extended with a Today condom.

AHP's Wyeth-Ayerst Laboratories' Triphasil remained the second-most frequently prescribed low-dose triphasic oral contraceptive with a 37% share, behind J&J's Ortho. W-A's Premarin remains a market leader in estrogen replacement, although the entire category is undergoing health scrutiny.

W-A's jewel, Phenergan, was poised to make the jump from ethical to OTC in 1989. However, the non-narcotic versions of the product—the No. 1 prescribed cough remedy for over 30 years—hit snags with the FDA. Trade ads announced the launch before Wyeth found out the product would not be rolled out in July as planned. When it does make it to retailers' shelves, Phenergan should be a big player in the $1.9 billion market. A $10 million ad budget is in reserve for the debut.

AHP's food division, leader in the $500 million prepared pasta market, was strengthened by the national introduction of Chef Boyardee Microwave Meals. Chef Boyardee's line of canned pastas was expanded by the addition of two varieties of Dinosaur Pastas. All canned pastas were backed with almost $9 million in measured media spending in 1988. Chef Boyardee, which celebrated its 50th anniversary, spent $18.4 million in measured media, up 27%.

The cholesterol concern sweeping the country fueled sales of sodium- and cholesterol-free Pam cooking spray. Measured spending amounted to $9.3 million, down 6.1%.

Under the aegis of American Home Food Products, Wheatena and Maypo were acquired in 1988, giving American Home an entry into the $600 million hot cereal market.

Last year, AHP agreed to purchase A.H. Robins Co. for $700 million in AHP stock and a payment of $2.3 billion into a trust fund to be created to settle claims by users of the Robins, Dalkon Shield. The merger cannot be completed, however, until appeals filed against the plan are resolved.

AMERICAN HOME PRODUCTS CORP.
685 Third Ave.
New York, N.Y. 10017
(212) 878-5000

Corporate media buying: John F. Murray Advertising Agency: Richard Feldheim, president; Marianne McArdle, sr vp, dir-natl tv; Kathleen Margaritov, vp-natl tv super; Thomas Del Priore, vp-cable tv; Katie Coke, vp-radio; Judith Bloedorn, vp-spot tv; Patricia Stern, natl tv super.

Boyle-Midway
New York

Corporate personnel: T.J. Host, president.

Marketing personnel: G.L. Fotiades, sr vp-mktg; Rick Donnelly, vp-category dir; Ken Lagana, adv dir.

Brands/services by agency of record:

Black Flag
Depend-O
Easy-On starch
Griffin shoe polish
Old English
Plastic Wood
Sani-Flush, various prods
Snarol
3-in-1 Oil
Zud

Ad agency: Partners & Shevack, New York: Brett Shevack, president.

■

Easy-Off glass cleaner
Easy-Off Mildew Stain Remover
Easy-Off oven cleaner
Noxon
Red Devil Lye
Woolite cold water wash
Woolite Gentle Cycle

Ad agency: McCann-Erickson, New York: Linda Joselow, sr vp-mgmt rep.

■

Dry Breezes
Gulf Light charcoal lighter

Back East Somewhere
..WHEN ARE QUIGLEY'S CAJUN CORN FLAKES GOING NATIONAL?
..AS SOON AS WE TEST 'EM IN PORTLAND..
QUINN
Portland, Ore.
MILK
MILK
Quigley's NEW CAJUN CORNFLAKES

Portland, Oregon is the second most popular test market in the United States.*

The daily newspaper here: The Oregonian. For more information on Portland's attractive demographic profile, call John Mannex, General Advertising Manager, at (503) 221-8302. Experienced guinea pigs are standing by.

The Oregonian

Represented nationally by Newhouse Newspapers
*Source: Saatchi & Saatchi DPS Compton.
Based on actual new products tested.

Holiday
Butter Buds
Pam
Wizard air freshener
Wizard charcoal lighter
Woolite Rug & Upholstery Cleaners

Ad agency: Young & Rubicam, New York: Jordan Stanley, vp-mgmt super.

Whitehall Laboratories
New York

Corporate personnel: L. Randall Yates, president.

Marketing personnel: Andrew Davis, sr vp-mktg; Lyn Ciocca, vp-mktg; J. Schmitt, vp-new prods; Steve Palmisano, adv dir.

Brands/services by agency of record:

Compound W
Dermoplast
Dristan nasal spray
Dristan tablets
Momentum
Oxipor
Posture
Preparation H

Ad agency: McCann-Erickson, New York: George Biava, sr vp-group acct dir; Michael Mainthow, Pat Quagliano, vps-mgmt reps; Bob Rivituso, vp-acct super; Barbara Guiffre, acct super.

■

Anacin-3
Denorex medicated shampoo
Freezone
Outgro
Primatene
Riopan
Trendar
Youth Garde

Ad agency: Partners & Shevack, New York: Alan Yarnoff, exec vp-acct dir; Bob Ballerini, Martin Bowen, Mike Fleishman, Debra Kohn, vps-acct supers.

■

Advil
Anacin/Maximum Strength Anacin
Anbesol
Arthritis Pain Formula
Clearblue Easy
Clearplan
Neet
Semicid
Today Sponge

Ad agency: Young & Rubicam, New York: Patrick Knisley, sr vp-mgmt super; Margaret McKinley, vp-acct super; Catherine Damico, Cathy Lasowski, acct supers.

Fort Dodge Laboratories
Fort Dodge, Iowa

Corporate personnel: E.T. Corcoran, president.

Marketing personnel: P.A. Brown, vp-sales & mktg; D.C. Sandvig, vp, Franklin Lab.

Brands/services by agency of record:

Fort Dodge Laboratories

Ad agency: Brady Co., Menomonee Falls, Wisc.: Bert Hutchinson, sr vp.

American Home Food Products
New York

Corporate personnel: David P. Jaicks, president; Charles E. LaRosa, exec vp; John Hittson, sr vp-mktg; Albert Soricelli, sr vp-new ventures; Karl Becker, vp-mktg svcs; Dennis O'Donnell, vp-prod mgmt; Jules Neuberger, adv dir.

Brands/services by agency of record:

Chef Boyardee pizza mix
Chef Boyardee Hamburger Italiano
Dennison's Chili, new prods
Gulden's mustard
Jiffy Pop popcorn

Ad agency: Jordan, McGrath, Case & Taylor, New York: Judy Niedert, vp-mgmt super.

■

Wheatena
Maypo
Maltex
Foodservice

Ad agency: Ketchum Advertising, New York: Matt Seiden, vp-acct super.

■

Chef Boyardee canned pasta
Chef Boyardee microwave meals
Franklin Crunch 'n Munch
Luck's Beans
Ranch Style Beans, new prods

Ad agency: Young & Rubicam, New York: Jane Brite, exec vp-group genl mgr; Jordan Stanley, sr vp-mgmt super; Kevin Rhodes, vp-acct super.

Sherwood Medical Co.
St. Louis

Corporate personnel: David A. Low, president.

Marketing personnel: Robert Egan, exec vp-domestic mktg; Thomas Cekoric, vp-genl mgr, API.

Brands/services by agency of record:

Sherwood

Ad agency: FBA Marketing Communications, St. Louis: Robert Brace, acct exec.

Wyeth-Ayerst Laboratories
Radnor, Pa.

Corporate personnel: Bernard Canavan, chmn; Fred Hassan, president.

Marketing personnel: Thomas Cavanagh, exec vp-sales & mktg; Martin Meaney, sr vp-sales & mktg; John Leone, vp-mktg, professional prods; David Swingle, vp-sales, professional prods; Walter Dymarczyk, vp-managed care; Edward Marcoon, vp-genl mgr, pediatric & consumer healthcare.

Brands/services by agency of record:

Bicillin
Oral antibiotics

Ad agency: Dorland & Sweeney, Philadelphia: Barbara Zehender, acct super.

■

Ativan injections
Cerubidine

Ad agency: Harrison, Star, Wiener & Beitler, New York: John Sullivan, acct super.

■

Ativan oral
Cycrin
Grisactin
Mysoline
Orudis
OTC Phenergan
Premarin
Serax
Surmontil

Ad agency: Klemtner Advertising, New York: Paul Nani, acct super.

■

Inderal LA
Inderide LA
Isordil
Tubex

Ad agency: Lally, McFarland & Pantello, New York: Paul Hansen, acct super.

■

Nursoy
Resol
SMA

Ad agency: William Douglas McAdams, New York: Patricia Plonski, acct super.

■

Collyrium
Phenergan suppositories
Phenergan syrups (Rx)
Phenergan syrups
Wyanoids Relief Factor

Ad agency: Roberts & Raymond Associates, Philadelphia: Jay Bolling, acct super.

■

Cordarone
Sectral

Ad agency: Vargas Levy Zules, New York: Thomas Vargas, acct super.

■

Gestodene
Lo/Ovral
Nordette
Norplant
Ovral
Triphasil

Ad agency: Vicom Associates, Philadelphia: Steve Schmidt, acct super.

RANK
43

American Stores Co.

Salt Lake City
ADVERTISING: **$250.5 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	18,475	14,272	29.4
Earnings	98	154	(36.3)
■ Division sales	**1988**	**1987**	**% chg**
American Drug Stores	3,190	3,050	4.6
Lucky Stores	5,420	4,960	9.3
Alpha Beta Co	2,610	2,540	2.8
American Food & Drug	2,190	2,010	9.0
American Superstores	6,990	6,650	5.1

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	262	48	449.7
Newsp supp.	17	0	NA
Newspaper	61,803	65,659	(5.9)
Outdoor	1,176	446	163.9
Spot TV	51,416	46,228	11.2
Spot radio	7,243	5,266	37.6
Measured	121,918	117,646	3.6
Unmeasured	128,600	124,100	3.6
Total	250,518	241,746	3.6

■ *These are full-year figures. Only operations since June 2, 1988 are included in American Stores' totals.

American Stores Co., enjoined at least temporarily in California from combining its Alpha Beta Stores supermarkets with newly-acquired Lucky Stores, reorganized operations into a centralized structure and moved headquarters back to Salt Lake City after a year in Irvine, Calif.

American Stores in 1988 purchased for $2.5 billion Lucky's 347 stores in California and Nevada and sought to consolidate them into the 220-store Alpha Beta operations. But the California attorney general blocked the move, arguing that operations must remain separate to not undermine competition. Last month, Supreme Court Justice Sandra Day O'Connor granted the request to halt the merger until the full Court could consider the state's antitrust claims, possibly this October.

American's buyout of Lucky gives the combination a 26% share of the retail food market in California, placing it just ahead of Safeway, whose acquisition in 1988 of Vons's pushed its share to about 26%. Campeau Corp.'s Ralph's has 13%.

The consolidation plan carries cost ben-

WIDGETS TODAY

The Old Gray Trade Magazine Ain't What It Used to be.

Remember when your father was a young man and used to come home with an armful of trade magazines, to catch up on his important reading? You probably wondered what he could find interesting in such dull, drab publications. Just page after page of small type. Hardly any photos or illustrations. And no color.

Well, times have certainly changed. The old gray trade magazine ain't what it used to be. At least not Cahners magazines. Our magazines are well written, well designed, and printed by the most advanced printing methods. And they are anything but gray. Over 80% of all pages in Cahners Network magazines... both editorial pages and advertising pages... are printed in color.

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Cahners Publishing Company
Peter Boniface, Publisher 275 Washington Street, Newton, MA 02158-1630 Telephone 617/964-3030

efits which American Stores could use. In 1988, earnings fell 37% due largely to costs associated with the acquisition. Company officials also plan to marry the two similar marketing themes: Lucky pushes a ''Low Price Leader'' image; Alpha Beta stresses variety as well as price.

American Stores inherits a large ad budget with Lucky, whose $38.4 million in measured spending in 1988, up 33%, doubled the $19 million spent by Americans' Jewel Food Stores (down 20%), according to LNA/Arbitron. Drawing $10 million each were Acme Food Stores, down 9% from the prior year and Alpha Beta, down 16%.

During 1989, American Stores veered from a two-year planned decentralization to a ''holding company strategy'' that concentrates management and resources at its Salt Lake City headquarters. In 1987 the company had relocated to Irvine and talked of spinning off one or more of its subsidiaries into autonomous, publicly-held companies. Such structural changes are common at American Stores, which has had to alter regional definitions and cost-center locations in the past to integrate buyouts into its corporate structure, according to analysts.

Regardless of its new bent toward centralization, the company remained structured mostly along regional lines. The largest of five operating units remains American Superstores, a holding for Acme Markets, Jewel Food Stores, Star Market and Jewel Osco. Marketing and advertising are handled individually by each subsidiary.

American Drug Stores, which changed its name from Osco Drug in December 1988, continues to operate under the Osco Drug name except in California and Nevada, where it reverted to the old Sav-on moniker after two years as Osco because of better name recognition. American Drug plans to enter the growing field of mail-order prescription sales in 1990, under the banner ''Rx America.''

Sales at Lucky Stores increased 9%, up to $5.42 billion for the full year. In 1989, when a full year of Lucky's sales will be included, American Stores is expected to pull ahead of Kroger as the nation's sales leader. Kroger in 1988 counted $19.1 billion in sales.

Lucky lost some of its top management during the hostile takeover. John M. Lillie, who headed Lucky Stores before the takeover as chairman-CEO, was replaced by former Lucky Stores President Lawrence A. Del Santo. Other personnel changes included company founder L.S. Skaggs, who gave up his CEO title but agreed to continue serving as chairman until 1993.

AMERICAN STORES CO.
5201 Amelia Earhart Dr.
Salt Lake City, Utah 84116
(801) 539-0112

Corporate personnel: L.S. Skaggs, chmn & president; Jonathan L. Scott, vice chmn-ceo.

Acme Markets
Philadelphia

Marketing personnel: Robert Neslund, president; Jim Horn, sr vp-mktg & distribution.

Jewel Food Stores
Melrose Park, Ill.

Marketing personnel: Joseph Bugos, president; William Bolton, vp-mktg; Robert Lutz, dir-sales & adv.

Brands/services by agency of record:

Jewel food stores

Ad agency: Lois/GGK, Chicago: Brad Beechen, mgmt super; Valerie Sanders, sr acct exec; Lori Fewster, acct exec.

Star Markets
Cambridge, Mass.

Marketing personnel: Martin A. Scholtens, president; Brian Pijanowski, dir-mktg; Bill Paul, vp-sales & mktg.

Brands/services by agency of record:

Star Markets

Ad agency: Rossin, Greenberg, Seronick & Hill, Boston: Jim Roweas, vp-acct svcs; Carole Alexander, acct exec.

American Drug Stores
Oakbrook, Ill.

Marketing personnel: Terry Hanson, president; Dominic Cavallo, sr vp-mktg; Ron Grove, vp-mktg; John Kroner, adv.

Brands/services by agency of record:

American Drug Stores

Ad agency: Lois/GGK, Chicago: Ed Holzer, chmn-ceo; Nancy Nevel, acct exec.

Alpha Beta Co.
La Habra, Calif.

Marketing personnel: Roger Wilhelm, acting president-south region; William Wade, sr vp-adv; Don Bates, vp-mktg.

Brands/services by agency of record:

Alpha Beta Co.

Ad agency: Bozell Inc., Los Angeles: Dick Hamblin, president-ceo.

Skaggs Alpha Beta
Richardson, Texas

Marketing personnel: Neill Crowley, president; Warren Ivie, vp-adv.

Brands/services by agency of record:

Skaggs Alpha Beta stores

Ad agency: Bloom Agency, Dallas: Paul MacMahon, chmn; Sherry Babcock, sr vp-mgmt super; Mary Glynn, vp-acct super; Tracy Gray, acct exec.

Buttrey
Great Falls, Mont.

Marketing personnel: Edward Agnew, president; Lynn Weight, adv mgr; Dione Leidholt, dir-adv & mktg.

Brands/services by agency of record:

Buttrey stores

Ad agency: Wendt Advertising, Great Falls, Mont.: Bruce Day, acct exec.

American Telephone & Telegraph Co.

RANK
17

New York
ADVERTISING: **$547.5 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	35,210	33,768	4.3
Earnings	(1,669)	2,044	NA

■ Division sales	1988	1987	% chg
Services	20,833	19,830	5.1
Products	11,334	10,206	11.1
Rentals	3,043	3,732	(18.5)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	66,193	76,270	(13.2)
Newsp supp	5,139	6,691	(23.2)
Newspaper	32,690	32,610	0.2
Outdoor	361	114	216.5
Network TV	173,912	146,418	18.8
Spot TV	36,753	34,790	5.6
Synd TV	6,190	4,165	48.6
Network cable	7,773	6,440	20.7
Network Radio	12,311	15,004	(17.9)
Spot radio	6,184	6,864	(9.9)
Measured	347,504	329,365	5.5
Unmeasured	200,000	201,900	(0.9)
Total	547,504	531,265	3.1

AT&T began marketing itself like a packaged goods product in 1989 by offering new accounts a money-back guarantee for long-distance service. The corporate campaign emanated from a general promotion ad budget that in 1988 allocated $92.1 million in media dollars, up 17% from the prior year, according to LNA/Arbitron.

The unusual approach, which followed an early corporate advertising phase stressing service through testimonials by AT&T employees, shows the extreme competitiveness of the long-distance market where it is becoming more difficult to separate the players by the services they offer.

AT&T is retaining a strong but slightly diminishing lead in the long-distance market in 1989 with a 68% share, compared to 71% in 1988, this despite a 38% decrease since divestiture.

This compares with 11.5% at MCI, up from 10.3%; and 7.5% at US Sprint, up from 6.8%, according to Northern Business Information, New York, which notes the market is growing at a rate that supports all the major players.

AT&T spent $141.4 million to advertise long-distance services for domestic, overseas and business in 1988. By comparison, MCI spent $39 million in advertising in 1988 on long-distance, and US Sprint $23 million, according to LNA/Arbitron.

Of the AT&T long-distance total, $71.5 million was for ''long-distance,'' up 14%; $24.2 million for long lines overseas, down 25% and $45.7 million for long-distance business, up 129%. A new service, USA Direct, was introduced, providing direct access to AT&T operators for overseas calls.

Most of the AT&T general promotion spending of $92.2 million supported the so-called ''anxiety'' campaign on TV, that evolved in 1989 into the money-back deal—directed to customers who experimented with rival long-distance companies. Current spots ask consumers to make the switch to AT&T and offer to pay for the reconnection fee back to the current supplier if they are unhappy with the service.

Just this summer, federal Judge Harold Greene waived restrictions prohibiting AT&T's entry into electronic publishing. The decision is spurring AT&T's involvement in videotex and other information services. It is thought that AT&T's entry into the arena could finally develop that industry into a mass market service.

AT&T ended its five-year alliance with Olivetti this summer and entered into an agreement with Intel Corp., Santa Clara, Calif. AT&T's computer philosophy now relies less on selling stand-alone computers and more on networking. The computer segment is expected to break even in 1990 after years of losses.

In 1988, AT&T won the U.S. Air Force account, its largest computer contract in its five years in the business. The contract could ultimately total $1 billion.

AT&T beefed up its consumer product-related advertising in 1988 as it targeted the market for its answering machines, cordless telephones and advanced feature phones at $3.8 billion. Its 425 AT&T phone centers were recently redesigned. The operation was backed with $14 million in ad spending in 1988, up from only $3 million in 1987.

Ad spending for AT&T Information Systems grew 13% to $28.1 million from $24.9 million in 1987, virtually all in network TV.

AT&T lists its 1988 ad expenditures at $773 million, including salaries and other expenses which AA estimates exclude.

During 1988, the company agreed to buy up to 20% of Sun Microsystems. In July, it announced a joint venture with GTE Corp. It acquired Paradyne Corp., a data communications company, for $250 million in February. It also purchased Eaton Financial Corp., an office equipment financing company and U.S. Trusts Advanced Information Service subsidiary, a financial services company.

AMERICAN TELEPHONE
& TELEGRAPH CO.
550 Madison Ave.
New York, N.Y. 10022-3297
(212) 605-5500

Marketing personnel: J. Kent Planck, corp vp-adv; Robert W. Watson, dir-adv svcs; Ross Markwardt, dir-corp adv; R. Zack Manna, corp adv/events mktg dir; Mary Lou Floyd, mgr-corp adv & cultural programs; Linda Urben, mgr-adv svcs; Karen Vereb, div mgr-corp adv; Steve Cross, dist mgr-corp event mktg; Douglas Ritter, corp broadcast mgr; Maryann Seduski, corp media mgr.

Brands/services by agency of record:

Corp adv

Ad agency: N W Ayer, New York: Amanda Hahn, vp-mgmt super.

■

Corp arts & underwriting

Ad agency: Serino Coyne, New York: Dale Barlow, exec vp-acct mgmt.

■

Black adv
Hispanic adv

Ad agency: UniWorld Group, New York: Herman Morales, sr vp; Linda Dukette, vp-acct super.

AT&T Consumer Markets

Marketing personnel: Kim Armstrong, dir-adv.

Brands/services by agency of record:

Consumer long-distance

Ad agency: N W Ayer, New York: Diane Whitehead, sr vp-mgmt super.

■

Ethnic adv

Ad agency: Bermudez & Associates, New York: Marguerite Cueto, vp-mgmt super.

■

Business svcs

Ad agency: McCann-Erickson, New York: Tom Driscoll, sr vp.

■

Business products
Computers
Small & large business phone systems

Ad agency: Ogilvy & Mather, New York: Cynthia Round, sr vp-group dir.

AT&T Corporate International

Marketing personnel: Ross Markwardt, dir-corp adv.

Brands/services by agency of record:

AT&T Intl corp adv

Ad agency: Ogilvy & Mather, New York: Cynthia Round, sr vp-group dir.

■

Special svc long-distance

Ad agency: Young & Rubicam, New York: Mort Lowenstein, exec vp-worldwide group dir.

AT&T Consumer Products

Marketing personnel: A. Lee Blitch, adv mgr.

Brands/services by agency of record:

Consumer telephones

Ad agency: N W Ayer, New York: Peter Varvara, vp-mgmt super.

AT&T Business Markets

Marketing personnel: Charles L. Mitchell Jr., dir-adv & sales promo.

Brands/services by agency of record:

Business long-distance

Ad agency: McCann-Erickson, New York: Hank O'Brien, sr vp-group mgmt dir.

■

Business mkts
Business PBX
Business phone systems

Ad agency: Ogilvy & Mather, New York: Kelly O'Dea, sr vp-group dir.

■

USA Direct calling card

Ad agency: Young & Rubicam, New York: Mort Lowenstein, exec vp-worldwide group dir.

AT&T Network Systems/
Technologies

Marketing personnel: Dick Martin, dir-adv.

Brands/services by agency of record:

AT&T Network Systems/
Technologies

Ad agency: FCB/Leber Katz Partners, New York: Jim Bernegger, sr vp-mgmt dir.

AT&T American Transtech

Marketing personnel: Michael N. Granieri, dir-corp comm.

Brands/services by agency of record:

AT&T American Transtech

Ad agency: Husk, Jennings & Overman, Jacksonville, Fla.: Gary Husk, sr vp.

AMR Corp.

RANK
87

Dallas-Fort Worth Airport
ADVERTISING: **$120.7 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	8,824	7,198	22.6
Earnings	477	198	140.3

■ Division sales	1988	1987	% chg
Passenger	7,677	6,151	24.8
Other	1,147	1,047	9.6

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	8,760	4,600	90.5
Newsp supp	314	58	441.9
Newspaper	28,671	36,654	(21.8)
Outdoor	194	246	(21.3)
Network TV	22,264	26,115	(14.7)
Spot TV	16,301	23,971	(32.0)
Network cable	643	809	(20.6)
Network Radio	541	976	(44.6)
Spot radio	10,662	16,106	(33.8)
Measured	88,350	109,535	(19.3)
Unmeasured	32,300	20,000	61.5
Total	120,650	129,535	(6.9)

AMR Corp.'s American Airlines subsidiary, which became the nation's top carrier in 1988, will continue its promotion strategy of an overall corporate campaign supported by highly-targeted programs aimed at key demographic groups.

American held an 18.7% share of the U.S. market through the first seven months of 1989, up from 16.2% in the same period a year ago, according to PaineWebber, which bases its shares on revenues gained by carrying one paying passenger one mile. Former leader United Airlines dropped to 17.6% from 17.8% in 1988, while No. 3 Delta Air Lines rose a dramatic 2.2 share points to 15.3%.

Part of American's targeted marketing strategy includes a regionalized approach that began in 1988. For the first time, it ran separate campaigns by geographical region.

''We spend larger and larger portions of our promotional dollars in targeted efforts,'' said Michael Gunn, senior VP-marketing. ''As we gain more information about various customers, we communicate differently with them.'' He cited seniors, golfers, frequent fliers and travel agents as some of the key groups the airline targets through separate programs.

A push to boost leisure travel will continue as ads spotlight ''sun'' and European destinations.

American will try to make the most of its favorable positioning among business travelers by stressing its service and performance in its ads.

Perhaps one cloud in American's skies was the Department of Justice's decision to turn down the proposed agreement to combine American's Sabre computer reservation system with Delta Air Line's DATAS II. That would have created a global computer reservations system to be marketed by a new and independent partnership.

The other disappointment came when Continental Airlines was awarded the coveted Seattle-Tokyo route, one that American also had sought. After a bitter court battle, the Texas Air unit won. American apparently will keep its eye on developing the Pacific market but atten-

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tion has shifted to Europe, the Caribbean and South America for future growth.

AMR CORP.
P.O. Box 619616
Dallas-Ft. Worth Airport
Texas 75261-9616
(817) 963-1234

Marketing personnel: Michael W. Gunn, sr vp-mktg; Michael Buckman, vp-passenger sales & adv; George Mueller, vp-customer svcs; Jim Simon, mng dir-adv; Donna Coyne, mgr-domestic adv.
Brands/services by agency of record:
American Airlines
Ad agency: Bozell Inc., Dallas: Paul Gold, exec vp-acct dir; Patsy Tryon, sr vp-mng rep; Wanda Brown, Gaylynn Garrett, David Hall, Leslie Parmiter, Anita Wheeler, vp-acct supers.

RANK
11

Anheuser-Busch Cos.

St. Louis
ADVERTISING: **$634.5** MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	9,705	9,110	6.5
Earnings	716	615	16.5
■ Division sales	**1988**	**1987**	**% chg**
Beer	6,902	6,376	8.3
Food	1,681	1,627	3.3
Diversified	362	366	(1.2)

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	10,563	10,048	5.1
Newsp supp	965	369	161.6
Newspaper	10,192	9,387	8.6
Outdoor	6,708	9,580	(30.0)
Network TV	207,278	186,948	10.9
Spot TV	87,486	83,750	4.5
Synd TV	9,757	5,146	89.6
Network cable	21,397	22,943	(6.7)
Network Radio	15,391	23,456	(34.4)
Spot radio	42,696	43,550	(2.0)
Measured	412,431	395,176	4.4
Unmeasured	222,100	212,800	4.4
Total	634,531	607,976	4.4

While the U.S. beer industry stagnated, Anheuser-Busch Co. in 1988 raised its market share 1.1 points to 40.8%, according to *Beer Marketer's Insights*. Along the way, the company evolved into a new marketing role: innovator.

In a surprise to nearly everyone in the brewing industry, A-B, the world's largest brewer, became the first American brewer to market dry beers.

While others speculated about whether the less sweet, slightly dryer tasting brew that was a success in Japan would go over in the U.S., A-B in less than three months moved Michelob Dry from test to a November rollout.

And as if to prove that wasn't the only trick up its sleeve, it entered 1989 by quickly unveiling a series of additional new products, testing Budweiser Dry, Busch Light Draft, and turning O'Douls, a brand name for an Irish-style ale in test, into a non-alcoholic beer.

Most of the new brands were assigned to DDB Needham Worldwide, Chicago, agency for Bud Light and Busch. DDB Needham made gains at the expense of D'Arcy Masius Benton & Bowles, St. Louis, agency for Budweiser.

But DMB&B benefited from O'Doul's and some A-B moves toward more promotional-oriented advertising tying brands together, most notably a Bud Bowl I promotion on the Super Bowl telecast in January 1989 that pitted Budweiser against Bud Light in a stop-action animated sequence. D'Arcy also picked up Budweiser's ties to rock groups—the Who's "Tommy" concerts and the Rolling Stones.

A-B acknowledged that the move to additional brands represented a change, but said its activity only reflected the beer market and the increasing fickleness of consumers seeking something new. With more niches and more brand changing, beer makers have to offer additional products, company officials said. They offered the example of Anheuser Marzen, a European-style beer test marketed in New Hampshire and now sold in St. Louis. TBWA, St. Louis, handles.

Company officials denied that the new beers indicated concern about Budweiser, but admitted growth may slow for A-B's top beer. Budweiser, the nation's top beer, last year saw sales rise to 50.45 million barrels. Bud alone represents 26.2% of the U.S. beer market. A-B has three other beers among the five top-selling brews and all gained last year. Only Michelob lost sales. This year, the Michelob family is showing strength, however, because of Michelob Dry. Also at midyear there were reports that Bud Light's sales were 18% ahead of the 1988 levels.

A-B upped its advertising for the new brands, but there were growing indications it also was looking for some economies in advertising, with dual brand promotions sometimes replacing individual advertising.

A-B's continuing growth did not come without a hitch. Its high visibility made it a target of various groups concerned about alcoholism, some calling for limiting beer advertising. The use of Spuds MacKenzie, A-B's dog presenter, was said to appeal to children and people not of drinking age, which A-B denied. Surgeon General C. Everett Koop at a 1988 press conference about alcohol used Spuds as a backdrop.

In 1988, A-B moved to limit damage by turning Spuds into a spokesdog for the "Know When to Say When" campaign urging responsible drinking and using the dog sparingly in Bud Light ads. Licensing of Spuds paraphernalia was severely cut back.

This year A-B took an even bigger step by expanding the "Know When to Say When" campaign with a $35 million budget. All of A-B's agencies are contributing.

Hal Riney & Partners, San Francisco, withdrew as an A-B agency last year to take on Stroh Brewery Co., Detroit, after failing to win much new business from A-B.

A-B continued to expand abroad and view other industries and products aside from beer for its future growth. Beer accounted for 77% of its worldwide revenues, up from 70% in 1987.

A-B is expanding its theme parks, now consisting of three Busch Gardens parks, to Barcelona, where a park and resort is to open in 1992-93.

Eagle Snacks and Cape Cod snack foods finally saw national distribution. A-B had problems with the snack foods and delayed opening a Visalia, Calif. plant to allow time to make product and packaging changes. The plant was opened early this year. Several product extensions, including nuts and a cheddar cheese popcorn, were added.

A-B claimed the expanding distribution brought its share of potato chips in the top 17 markets it served continuously to 10.8% through May 1989, up 4 points from a year earlier, while its nut share rose to 12.0% up 4.1 points from a year earlier, all according to Nielsen data.

Snack Food magazine reported that A-B's $125 million to $150 million in sales placed it fifth in sales of salted snacks.

ANHEUSER-BUSCH COS.
One Memorial Dr.
St. Louis, Mo. 63102
(314) 577-2000

Corporate personnel: *Michael Roarty, exec vp, dir-mktg.*
Marketing personnel: Jack MacDonough, vp-brand mgmt; Charles B. Fruit, vp-corp media & sports mktg, vp-coo, Busch Media Group; Thomas Sharbaugh, group brand dir, Budweiser, Bud Light, Bud Dry, Carlsberg, Carlsberg Light, Elephant Malt Liquor; Robert J. Goughenour, group brand dir, Michelob, Michelob Light, Michelob Dry, Michelob Classic Dark; Robert Merz, group brand dir, Busch, Busch Light, Natural Light, LA, King Cobra, O'Douls; Joseph V. Corcoran, sr brand mgr, Budweiser; Robert Lachky, sr brand mgr, Bud Light; William E. Braun, sr brand mgr, Busch; Peter C. Rozzell, sr brand mgr, Michelob, Michelob Light, Classic Dark; Donald Meyer, sr brand mgr, Michelob Dry; Anne Suppinger, sr brand mgr, Natural Light, LA; Brian Porter, sr brand mgr, imports; Al Cummings, sr brand mgr, King Cobra; David English, sr brand mgr, Anheuser Marzen; Jerry Solomon, vp-genl mgr, Busch Media Group, NY; Bill Benz, vp-genl mgr, Busch Media Group, St. Louis; Tony Ponturo, dir-media svcs; Mark Lamping, dir-sports mktg; Tom Barton, mgr-Budsports; Carol Kelleher, mgr-entertainment mktg group; Scott Murdock, dir-merch & sales promo; Michael O'Sullivan, mgr-merch dept. Snacks: Patrick T. Stokes, vp-group exec; Kevin F. Bowler, vp-genl mgr; William H. Opdyke, sr vp-operations; Thomas H. George, vp-brand mgmt. Busch Gardens: Brian D. Smith, vp-mktg, Busch Entertainment; Barry W. Thiggen, group mktg dir.
Brands/services by agency of record:
Budweiser
LA
O'Douls
Natural Light
Corp adv
Ad agency: D'Arcy Masius Benton & Bowles, St. Louis: James Palumbo, sr vp-acct group dir; Stephen D. Nollau, vp-mgmt super, Budweiser; Timothy R. Rodgers, vp-mgmt super, Natural Light, LA, O'Doul's, corp; Richard Lalley, Fred Wolter vps-acct supers, Budweiser; Bryce McTavish, acct super, Budweiser; Terry Lucas, vp-acct super, corp adv; Carl Strom, acct exec, corp adv.

■

Bud Light
Bud Dry
Busch brands
Michelob brands
Busch Entertainment
Corp adv
Ad agency: DDB Needham Worldwide, Chicago: John Greening, group acct dir, beer; Ray Gillette, group acct dir, Busch Entertainment; Bill Syrett, acct super, Busch, Busch Light, new prods; Mark Leitner, acct super, Bud Light; Jack Rooney, acct super, Bud Dry; Ralph Kurek, Michelob, Michelob Light, Michelob Dark; Dave Southern, acct super, Michelob Dry; Ralph Kurek, super, field activities.

■

Carlsberg
Elephant Malt Liquor
Anheuser Marzen
Eagle snacks
Ad agency: TBWA Advertising, New York & St. Louis: Page Murray, acct exec, Carlsberg, Elephant Malt Liquor; Amy Cohen, acct exec, Eagle snacks; Stacie Fryrear, acct dir, Marzen.

■

Campbell Taggart's Earth Grains breads
Break Cake
Rainbow bread
Country Hearth
Grant's Farm
Ad agency: Bloom Agency, Dallas: Charles J. Calise, mgmt super.

■

King Cobra
Ad agency: Equinox Advertising, Chicago: Stuart Rankin, partner.

■

Hispanic brand mktg
Ad agency: Castor GS&B Advertising, New York: Robin Robert, acct super.

■

Hispanic corp acct
Ad agency: Sosa & Associates, San Antonio, Texas: Al Aguilar, VP-account services.

■

Black corp adv
Ad agency: Caroline Jones Advertising, New York: Gina Ross, vp-acct super.

RANK
54

B.A.T. Industries PLC

London
ADVERTISING: **$184.1 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	31,276	27,127	15.3
Earnings	1,708	1,184	44.3
■ U.S.	**1988**	**1987**	**% chg**
Sales	6,251	5,835	7.1
Operating income	936	886	5.6
■ By sales	**1988**	**1987**	**% chg**
Tobacco	12,407	10,940	13.4
Retailing	4,136	6,224	(33.5)
Paper	3,056	2,667	14.6
Financial svcs	6,851	6,009	14.0
Other	1,630	1,286	26.7

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	30,011	24,643	21.8
Newsp supp	2,471	2,153	14.7
Newspaper	35,915	61,875	(42.0)
Outdoor	24,333	15,381	58.2
Spot TV	5,321	5,345	(0.4)
Network Radio	2,019	823	145.4
Spot radio	1,836	3,157	(41.8)
Measured	101,906	113,376	(10.1)
Unmeasured	82,200	91,500	(10.2)
Total	184,106	204,876	(10.1)

Advertising in 1988 declined more than 10% at B.A.T. Industries' U.S. operating arm, Batus Inc., which seemed to take a rob-Peter-to-pay-Paul approach to advertising for the year.

Batus scooped a huge chunk of media advertising from its department store operation—especially Marshall Field & Co., reducing measured spending in that sector by 45%—but boosted tobacco spending by a whopping 58%.

B.A.T., consumed with matters of debt in 1988 when it bought Farmers Group of Los Angeles for $5.2 billion, half of which was through debt-financing, is believed to have held back on advertising as a result.

The ad budget could continue to reflect outside pressures in 1989. B.A.T. may have to make sell-offs to raise cash to fend off a hostile takeover attempt by Sir James Goldsmith.

Sir James offered this July to buy B.A.T. for $14 a share, or $21.4 billion arguing that B.A.T. executives have frittered away the company's robust tobacco profits on a series of less-than-stunning acquisitions—particularly Farmers. Analysts suggest that Farmers might fetch only $3.5 billion if sold today because a voter referendum recently trimmed insurance rates in California, the heart of Farmers' market.

Batus, which funnels the larger portion of advertising into its tobacco operation, Brown & Williamson Tobacco Corp., boosted tobacco measured spending to $59.9 million.

B&W, which contributes about 22% of B.A.T.'s annual profits, spent most of the heavy increase in media on its ultra-slim cigarette category. Capri, which B&W took national in July 1988, received $32.1 million in measured spending alone, up 110%.

Kool, B&W's flagship brand, received $19.2 million in measured advertising, up 47.7%. Kool ranked fourth among cigarette brands in 1988 with a 6% market share, virtually the same as in 1987, according to John C. Maxwell Jr., analyst with Wheat First Securities. It trailed Philip Morris' Marlboro at 24.9% and two RJR Nabisco brands, Winston at 10.8% and Salem at 7.4%.

B&W's share of the total U.S. cigarette market dropped slightly to 10.9% in 1988 from 11% based on a decline of 2.6% in unit volume sales, according to estimates by Mr. Maxwell, who noted that B&W benefited from its Kool sales and the national introduction of Capri and Richland 20s, a "branded generic." By contrast, Philip Morris was the only major tobacco marketer in 1988 to report a unit sales gain. The PM gain was 1.7%.

B&W's share of the price/value segment continued to decline. B&W products account for 20.5% of all price/value cigarettes sold in the U.S., down from 22.5% in 1987 and 26.6% in 1986, according to Mr. Maxwell. The industry's price/value segment, though, grew from 10% to nearly 11% of all cigarettes sold in the U.S.

B&W's advertising focus included expanding a new marketing and sales program for Kool, which the company said helped to significantly improve the brand's performance in 1988.

That program was based on the "Kool and Mild Today" advertising theme and placed heavy emphasis on nonmedia advertising, including direct mail. B&W also applied special promotional programs to other brands—Barclay, Viceroy, Raleigh and Belair.

Measured advertising for the Richland brand dropped 51% to $6.62 million, virtually all of that on the Richland Light 100s, which fell from $8.4 million in 1987 to $1.1 million in 1988.

In its department store business, Batus significantly decreased measured advertising 45% to $30.2 million, most of that decline coming from Marshall Field & Co. Field's measured spending plunged from $34.6 million in 1987 to only $8.4 million in 1988.

Saks Fifth Avenue, now Batus' largest retail advertiser, drew $19.7 million, up 13.2%. Saks' women's apparel received 65% of that total. Most of the remaining Batus measured retail spending went in support of Breuners, the large West Coast furniture and home furnishings store, which claimed $5.7 million in measured spending, up 5.6%.

In January 1989, Batus sold all its Thimbles women's specialty stores, in addition to two Marshall Field's stores.

B.A.T. INDUSTRIES PLC
Windsor House, 50 Victoria St.
London SW1H ONL

Batus Inc.
2000 Citizens Plaza
Louisville, Ky. 40202
(502) 581-8000

Appleton Papers
Appleton, Wisc.
Corporate personnel: Gordon Bond, chmn-ceo; Dale H. Schumacker, president-coo.
Marketing personnel: Daniel W. McIntosh, vp-mktg & sales; Steven Buggy, adv mgr.
Brands/services by agency of record:
Carbonless paper
Ad agency: Cramer-Krasselt, Milwaukee: Cory Block, acct super.

■

Graphic arts
Ad agency: (In-house): Steven Buggy, adv mgr.

John Breuner Co.
San Ramon, Calif.
Corporate personnel: Thomas G. Grimes, chmn-ceo.
Marketing personnel: Larry Gross, sr vp-mktg; Jim Wisniewski, adv dir.
Brands/services by agency of record:
Breuner stores
Ad agency: Media West, Oakland, Calif.: Gil Macey, president.

Brown & Williamson Tobacco Corp.
Louisville, Ky.
Marketing personnel: R.A. Fitzmaurice, sr vp-mktg; L.W. Butler, sr vp-field sales; I.D. Macdonald, vp-mktg; G.A. Korfhage, vp-field sales support; C.C. Middleton, dir-sales devel & admin; C.G. Newton, dir-mktg rsch; W.T. Carpenter, S.M. Osborne, group prod dirs; R.J. Miller, group dir-mktg svcs; M.S. Kovatch, N.G. Naughton, sr brand mgrs; M.C. Canavan, brand mgr: N.J. Wilkerson, mktg devel mgr; Fran Canary, N.A. Spriggs, mgrs-mktg svcs; G.M. Gratta, dir-value prods; F.L. Criss, merch materials mgr; M.K. Kimmel, special promo mgr; G.L. Lyttle-Green, assoc dir-mktg; D.A. Payton, adv production asst; S.R. Smith, E.A. Paulley, R.G. Stevens, C.L. Barlow, T.M. Leezer, D.E. Seagle, brand assocs; P.W.F. Birch, dir-new prods; R.D. Sharp, group prod dir, new prods; R.M. Grimes, brand mgr-new prods; R.C. Williams, D.J. Anderson, brand assocs, new prods.
Brands/services by agency of record:
Capri
Richland 25s
Richland 20s
Media buying-all brands
Ad agency: Geer DuBois, New York: Michael Garcia, sr vp-mgmt super; Tony Graetzer, acct super.

■

Kool
Raleigh
Belair
Viceroy
Ad agency: Campbell-Mithun-Esty, New York: Vicroy: Philip Shaner, vp-acct super; Elizabeth Barrack, acct exec. Kool: Michael Alrich, Marguerite Hartman, vps-acct supers. Raleigh: Marguerite Hartman, vp-acct super. Belair: Diane Connolly, vp-acct super; Dan Foster, acct exec.

■

Barclay
Ad agency: Tatham-Laird & Kudner, Chicago: Raddon Parry, sr partner; Dick Salyer, partner-mgmt super; Stephen Hanika, partner-acct super.

Ivey's Carolina
Charlotte, N.C.
Corporate personnel: Donald Midkiff, chmn-ceo.
Marketing personnel: Richard L. Schwab, sr vp-sales promo.
Brands/services by agency of record:
Ivey's
Ad agency: (In-house): Richard L. Schwab, sr vp-sales promo.

Marshall Field's
Chicago
Corporate personnel: Phillip B. Miller, chmn-ceo; Burnett Donoho, president-coo.
Marketing personnel: Christina Johnson, sr vp, home store; David Bell, vp-strategic planning & direct response; Robert Cappelli, sr vp-sales promo.
Brands/services by agency of record:
Marshall Field's stores
Ad agency: (In-house): Creative Field's: Robert Cappelli, sr vp-sales promo.

Saks Fifth Ave.
New York
Corporate personnel: Melvin Jacobs, chmn-ceo; Burton M. Tansky, president.
Marketing personnel: Paul Le Blang, sr vp, dir-mktg; Helen O'Hagan, vp-pr; William Berta, sr vp-sales promo & adv; Becky Wong Young, creative dir.
Brands/services by agency of record:
Saks Fifth Ave. stores
Ad agency: (In-house): Ross Bonanno, production dir.

RANK
76

Bayer AG

Leverkusen, W. Germany
ADVERTISING: **$132.2 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	23,156	20,046	15.5
Earnings	1,092	833	31.1
■ U.S.	**1988**	**1987**	**% chg**
Sales	4,719	4,199	12.4
Operating income	124	123	1.1
■ Division sales	**1988**	**1987**	**% chg**
Polymers	2,279	1,442	58.0
Organic prods	1,891	1,704	11.0
Industrial prods	2,777	2,392	16.1
Health care	1,215	997	21.9
Agrochemicals	1,225	1,140	7.4
Other	827	729	13.5

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	2,148	2,673	(19.6)

■ Media	1988	1987	% chg
Newsp supp	569	1,052	(45.9)
Newspaper	2,531	340	645.3
Outdoor	166	167	(0.7)
Network TV	42,169	47,334	(10.9)
Spot TV	6,231	5,987	4.1
Synd TV	886	946	(6.4)
Network cable	3,136	1,697	84.8
Network Radio	18,701	20,221	(7.5)
Spot radio	90	653	(86.3)
Farm pub	3,464	5,647	(38.7)
Measured	80,088	86,715	(7.6)
Unmeasured	52,100	56,400	(7.6)
Total	132,188	143,116	(7.6)

Miles Inc., the big marketing unit of Bayer USA, the Pittsburgh-based subsidiary of Bayer AG, ushered in several new key ethical and OTC drug products and reorganized its sales force.

Miles' moved to bring its consumer healthcare marketing closer to its customer base by tying marketing to functional lines—brokers for food outlets, regional sales representatives for drugstores and a group to call on national accounts.

The division's Alka-Seltzer product line continued to account for the bulk of ad expenditures at Miles, the most advertising-intensive unit within Bayer. The brand accounted for $44.2 million in measured spending, down 17% from the prior year.

Considerable shuffling took place within the brand as Miles shifted ad weight to more recent line extensions. Alka-Seltzer Plus Cold Tablets ad expenditures grew 18% to $22.7 million and Extra Strength Tablets, the antacid, drew $8.1 million, up from only $1.4 million in 1987. Outlays for regular Alka-Seltzer nosedived 141% to $10.2 million, according to LNA/Arbitron.

The increased spending, which helped maintain Alka-Seltzer Plus Cold Medicine's position as the No. 2 cold remedy product in the U.S., also helped push the brand's sales to the top of the Alka-Seltzer line, surpassing regular Alka-Seltzer, which competes in a much smaller category.

Beta-carotene, a form of Vitamin A with the potential to protect body tissue from cancer, was added to the One-A-Day line.

S.O.S steel wool soap, the consumer household products division's largest brand, remains the market leader. S.O.S Glass Works, which claims to be the leading vinegar-based glass cleaner, also introduced an extra-strength ammonia-based formula.

Miles' pharmaceutical division launched Cipro, a broad-spectrum antimicrobial, and Nimotop, a calcium channel blocker. Cipro sales alone mounted to $140 million, equal to 8.2% of Miles' total sales in 1988. The dental division introduced Gluma, a powerful adhesive, and considered by Miles to be that division's most successful product to date.

The diagnostics division entered into an agreement with the Cooper Cos. to purchase Cooper Technicon, diagnostic systems developer. When completed, the deal will double the size of the division.

Agfa Corp. was formed in 1988 as a result of the merger between Agfa-Gavaert Inc., Compugraphic Corp. and Matrix Corp. All three of Agfa's divisions were active in new-product introductions. Agfa Matrix introduced a new digital film recorder, ProColor. Agfa Compugraphic's CG 9400-PS imagesetter for type and graphics is a new entry in that field. Agfa Photo reported a 70% increase in sales in 1988 through the introduction of 40 new films.

BAYER AG
5090 Leverkusen
West Germany

Bayer USA
One Mellon Center
500 Grant St.
Pittsburgh, Pa. 15219-5500
(412) 394-5500

Corporate personnel: Elliot S. Schreiber, vp-corp comm; Maril Gagen MacDonald, mgr-corp comm.

Brands/services by agency of record:

Bayer USA

Ad agency: Ketchum Advertising, Pittsburgh: John B. Leibrick, acct super.

Mobay Corp.
Pittsburgh

Marketing personnel: Richard L. White, exec vp-mktg; Richard J. Donati, mgr-industrial adv.

Brands/services by agency of record:

Mobay Corp.

Ad agency: Della Femina, McNamee WCRS, Pittsburgh: T.R. Erkman, vp-acct super.

Agricultural Chemicals Division
Kansas City, Mo.

Corporate personnel: H.K. Wehner, group vp-genl mgr.

Marketing personnel: Hendrick Heesman, mktg dir; R.K. Miller, adv mgr.

Brands/services by agency of record:

Herbicides
Insecticides

Ad agency: Valentine-Radford, Kansas City, Mo.: Graeme Blasdel, acct super, herbicides; Phil Schroeder, acct super, insecticides.

Animal Health Division
Shawnee Mission, Kan.

Corporate personnel: F.O. Halter, vp-genl mgr.

Marketing personnel: U. Grabbe, mktg dir.

Brands/services by agency of record:

Small animal products

Ad agency: Richardson, Myers & Donofrio, Baltimore: Jim Palmer, acct exec.

■

Equine products

Ad agency: Stephens & Associates, Overland Park, Kan.: Chuck Stephens, acct exec.

Miles Inc.
P.O. Box 40
Elkhart, Ind. 46515
(219) 264-8111

Consumer Healthcare
Elkhart, Ind.

Marketing personnel: J.W. Howell, corp vp, div president; G.R. Fleischer, vp-mktg; R.C. Foyle, vp-sales; M.B. Streicker, dir-media operations.

Corporate media buying: Clifford A. Botway Inc., New York: Clifford A. Botway, chmn; Arthur Schreibman, president.

Brands/services by agency of record:

Miles overseas military
Miles trade adv

Ad agency: Boger, Martin, Fairchild & Co., Elkhart, Ind.: Robert M. Boger, president.

■

Hispanic adv

Ad agency: Conill Advertising, New York: Liz Castel, vp-client svcs.

■

Alka-Seltzer
Flavored Alka-Seltzer
Extra Strength Alka-Seltzer
Alka-Seltzer Advanced Formula

Ad agency: McCann-Erickson, New York: Gene O'Sullivan, exec vp-deputy genl mgr.

■

One-A-Day vitamins
Bactine antiseptic
Bugs Bunny & Flintstones vitamins

Ad agency: Tatham-Laird & Kudner, Chicago: Robert Hilscher, sr partner.

■

Alka-Seltzer Plus cold medicine

Ad agency: Wells, Rich, Greene, New York: Richard Byrne, exec vp.

Consumer Household Products
Chicago

Marketing personnel: S.M. Reim, corp vp, div president; J.R. McGrath, dir-mktg; H.G. Fitts, vp-sales.

Brands/services by agency of record:

S.O.S steel wool soap pads
Cutter insect repellent

Ad agency: Griffin Bacal, New York: Bob Kantor, sr vp-group dir; Kristin Tartaglia, acct super.

■

S.O.S Glass Works
S.O.S ammonia glass cleaners

Ad agency: Zwiren Collins Karo Trusk, Chicago: Tim Collins, partner; Tom Lohr, sr acct exec.

Diagnostic Products
Elkhart, Ind.

Marketing personnel: R.G. Stoll, corp exec vp, div president; A.D. Fiorillo, exec vp-mktg & sales; T.C. Christensen, vp-US mktg & sales; K.M. Murphy, mgr-mktg comm.

Brands/services by agency of record:

Diabetes consumer & professional prods

Ad agency: Abelson-Taylor, Chicago: Dale Taylor, exec vp; Cindy Stone, acct super.

■

Clinical hospital prods

Ad agency: Goble & Associates, Chicago: Ed Goble, president.

Pharmaceutical Products
West Haven, Conn.

Marketing personnel: H.K.D. Wallrabe, corp exec vp, div president; G.B. Rosenberg, vp-mktg & sales; J.J. Patchen, dir-prod mgmt; R.J. Lamb, dir-sales.

Brands/services by agency of record:

Cipro
Mezlin

Ad agency: Lavey/Wolff/Swift, New York: Joe Noel, sr vp.

■

New prods

Ad agency: Rolf Werner Rosenthal Inc., New York: Bruce Leeb, acct group super.

Hollister Stier
Spokane, Wash.

Marketing personnel: R.M. Galustian, group exec vp, business head-Allergy Unit; Rey Yvars, dir-US mktg & sales; Charles Gursky, natl sales mgr.

Brands/services by agency of record:

Allergenic extracts

Ad agency: Clark-White & Associates, Spokane, Wash.: Doug Herd, acct exec.

Biological Products
Berkeley, Calif.

Corporate personnel: R.M. Galustian, group exec vp-business unit head-Biological Products.

Marketing personnel: W.G. Johnson, vp-mktg & sales; G. Horton, dir-sales.

Brands/services by agency of record:

Intravenous Immune Globulin
Alpha I Proteinase Inhibitor

Ad agency: Deltakos Inc., New York: Bob Vogel, acct exec.

■

Blood Bag Line

Ad agency: Rainoldi-Kerzner & Radcliffe, San Francisco: Jay Kerzner, vp-acct svcs.

■

Coagulation prods

Ad agency: Rolf Werner Rosenthal Inc., New York: Bruce Leeb, acct group super.

■

Gamimune N

Ad agency: Carrafiello, Diehl & Associates, New York: Dave Riccio, acct exec.

Biotechnology Products
Elkhart, Ind.

Marketing personnel: K.E. Seeger, corp exec vp, div president; H.C. Stalter, vp-domestic mktg & sales; J.A. Foster, dir-domestic mktg & sales.

Brands/services by agency of record:

Biotechnology prods

Ad agency: Ash Advertising, Elkhart, Ind.: J.B. Ash, president.

Agfa Corp.
Ridgefield Park, N.J.

Agfa Compugraphics Division
Wilmington, Mass.

Marketing personnel: Ken Draeger, president; Robert Crevels, sr vp-electronic pre-press; Peter Broderick, dir-mktg comm, electronic pre-press; Audrey Finn, adv & direct mail specialist, electronic pre-press; Don Wile, sr vp-type, font & peripherals; Peter Miller, adv mgr-type, font & peripherals; Juergen Stolt, vp & genl mgr-graphic comm systems; Rosemarie Monaco, mgr-mktg comm.

Brands/services by agency of record:

Agfa Corp adv

Ad agency: Wegman Associates, Wayne, N.J.: John Gallacher, acct exec.

■

Electronic pre-press

Ad agency: Anderson & Lembke, Stamford, Conn.: Dave Goldenberg, acct exec.

■

Type, font & peripherals

Ad agency: (In-house): Peter Miller, adv mgr.

■

Graphic comm systems

Ad agency: Kalmer Associates, Fort Lee, N.J.: Doris Wiese, acct exec.

Agfa Matrix Division
Orangeburg, N.Y.

Marketing personnel: Michael Kochman, president; Warren Winterbottom, vp-presentation graphics; Sam Bayer, Richard Noyes, dirs-mktg; George Brys, sr vp-medical equipment; Tom Colucci, dir-corp comm; Wallace Gorman, vp-sales & mktg, diagnostic imaging systems; Robert Phelan, dir-mktg & sales, nondestructive & electronic testing; Maureen Joel, asst mgr-mktg.

Brands/services by agency of record:

Medical equipment
Diagnostic imaging systems

Ad agency: Admark Inc., Harrison, N.Y.: Hal Segal, president.

■

Presentation graphics

Ad agency: Sommer Inc., Englewood, N.J.: Bernie Sommer, president.

■

Nodestructive & electronic testing

Ad agency: K.I. Lipton Inc., Doylestown, Pa.: James Kosa, vp-acct svcs.

Agfa Photo Division
Ridgefield Park, N.J.

Marketing personnel: John F. McGlynn, president; Klaus Petzold, vp-genl mgr, consumer & professional prods; Jon Amdursky, Teri Sosa, adv mgrs; Marie A. Curry, vp-genl mgr, magnetic tape; Harry Clapp, dir-mktg, motion picture prods.

Brands/services by agency of record:

Consumer & professional prods

Ad agency: Kalmar Advertising, Fort Lee, N.J.: Doris Wiese, acct exec.

■

Magnetic tape

Ad agency: Culden Agency, Hackensack, N.J.: Geary Danihy, president.

■

Motion picture

Ad agency: Wegman Associates, Wayne, N.J.: John Gallacher, acct exec.

Haarmann & Reimer Corp.
Springfield, N.J.

Marketing personnel: J.T. Murnane, vp-genl mgr, flavor group; James F. Reynolds, dir-mktg, flavor group; Robert A. Higgins, vp-sales & mktg, fragrance group; Eckhard H. Schmidt, dir-mktg, fragrance group; Robert F. Zutic, mgr-sales, Aroma Chemicals Group; Horst A. Finkelmeirer, mgr-mktg, Aroma Chemicals Group.

Brands/services by agency of record:

Haarmann & Reimer

Ad agency: Peabody Corners, Hillsdale, N.Y.: Pete Peabody, acct exec.

Squibb gets another 'hyphen'

Squibb, never a stand-alone Leader, was a part of 1956 Leader, Olin Mathieson, and appeared as Squibb-Beech-Nut in 1969 before its return in 1989.

RANK
55

BCI Holdings Corp.

Chicago
ADVERTISING: $180.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	4,066	3,899	4.3
Earnings	5	(93)	(105.4)
■ Division sales	**1988**	**1987**	**% chg**
NSI	1,913	1,735	10.3
Swift-Eckrich	1,306	1,313	(0.5)
Beatrice-U.S. Food	853	853	NA
Beatrice	(6)	(2)	NA

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	7,425	7,474	(0.7)
Newsp supp	447	263	69.7
Newspaper	8,980	778	1,053.8
Outdoor	131	94	39.4
Network TV	32,923	38,482	(14.4)
Spot TV	[illegible]	17,196	39.1
Synd TV	5,630	3,416	64.8
Network cable	2,456	932	163.6
Network Radio	963	2,517	(61.8)
Spot radio	3,616	3,450	4.8
Measured	86,491	74,602	15.9
Unmeasured	93,700	80,800	16.0
Total	180,191	155,402	16.0

BCI Holdings Corp., parent of Beatrice Co., announced in April that it was looking for acquisitions after spending the last three years selling off businesses.

Beatrice is still one of the country's largest food manufacturers with Hunt-Wesson tomato products and cooking oils, Swift-Eckrich meats and Beatrice Cheese.

BCI was reduced to its Beatrice food unit when it sold its E-II operation to American Brands for $1.1 billion in early 1988. Culligan water systems, Samsonite luggage, Stiffel lamps and a number of office supply and furnishing companies were included in the sale.

BCI's 1988 measured media spending rose 13.8% on continuing operations, according to LNA/Arbitron.

The Butterball turkey line, including whole turkeys and lunch meats, got $7.1 million in media, down 13%. It was part of the total Swift-Eckrich spending of $12.9 million, off 21.8% from the prior year, according to LNA/Arbitron.

Leo Burnett USA, Chicago, lost the Eckrich account, including smoked sausage, franks and cold cuts, to Grey Advertising, New York, which also handles the Butterball turkey and Swift Premium Brown 'n Serve products.

Hunt-Wesson, which pulled its La Choy brands from J. Walter Thompson USA, Chicago, and reassigned them to Dailey & Associates, Los Angeles, last year, increased ad spending 36.7% in 1988 to $7.7 million on La Choy Chinese foods. The division invested $3.1 million in media on its La Choy Fresh & Lite frozen entrees introduced in late 1987. Wesson Oil remained one of Hunt-Wesson's leading brands, pulling $7.9 million in media spending, up 51.9%, according to LNA/Arbitron.

Hunt branded products received $18.7 million in measured spending, double the expenditure in 1987, according to LNA/Arbitron. Hunt's Manwich Sauce and Hunt's Spaghetti Sauce drew more than $5 million each in media.

Measured spending on the nation's No. 1 microwave popcorn, Orville Redenbacher, was $12.7 million, up 14%. The entire line received $16.3 million, up 18%. Orville Redenbacher holds a 28.3% market share, down slightly from previous year's 30%. No. 2 General Mills Pop Secret, with a 21% share, invested $6.7 million in measured spending, down 14%.

Peter Pan peanut butter spending jumped to $9.4 million, up 37.5%, virtually all in spot and network TV. The Beatrice/Hunt-Wesson product teamed up with Walt Disney Studios' promotion of the re-release of "Peter Pan" this summer.

BEATRICE CO.
2 N. LaSalle St.
Chicago, Ill. 60602
(312) 782-3820

Corporate personnel: Frederick B. Rentschler, president-ceo.

Beatrice/Hunt-Wesson
Fullerton, Calif.

Marketing personnel: Albert J. Crosson, president-ceo; Frank Quevedo, dir-corp relations.

Brands/services by agency of record:

Hunt's All Natural barbeque sauce
LaChoy prods
Sunlite Oil
Peter Pan peanut butter
Hunt's Snack Pack
Swiss Miss cocoa & pudding
New prods

Ad agency: Dailey & Associates, Los Angeles: Robert Berger, vp-acct super; Linda Krakowski, acct super; Brian Morris, dir-client svcs; Jodi Henick, Greg Perlot, acct execs.

■

Orville Redenbacher prods
Fisher nuts
Hunt's tomato paste, sauce & spaghetti sauce
Hunt's ketchup
Manwich sauces
Rosarita
Wesson oils
New prods

Ad agency: Ketchum Advertising, San Francisco: John Faville, sr vp, dir-acct svcs; Tony Balmer, Bill McGee, Dennis Sones, vps-acct supers.

Swift-Eckrich
OakBrook, Ill.

Marketing personnel: Lee O. Lochmann, president; Greg Ostrander, vp-mktg.

Brands/services by agency of record:

Butterball turkey
Swift Premium Brown 'n Serve prods
Eckrich smoked sausage, franks, cold cuts

Ad agency: Grey Advertising, New York: Richard M. Karp, exec vp-creative svcs.

■

Butterball deli prods
Eckrich deli prods
Swift Premium deli prods

Ada gency: Zechman & Associates, Chicago: Richard Brayer, vp-mgmt super.

Beatrice Cheese
Milwaukee

Marketing personnel: Robert H. Burns, president; Jack Hallenbeck, sr vp-mktg sales.

Brands/services by agency of record:

Cheese

Ad agency: Bozell Inc., Chicago: Peter Switzer, mgmt super; Bill Granger, acct exec.

RANK
95

Bell Atlantic Corp.

Philadelphia
ADVERTISING: $113.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	10,880	10,747	1.2
Earnings	1,317	1,240	6.2
■ Division sales	**1988**	**1987**	**% chg**
Local access	4,279	4,198	1.9
Network access	2,650	2,722	(2.6)
Toll svcs	1,492	1,492	(0.0)
Directory advertising	1,404	1,291	8.7
Other communication	581	684	(15.1)
Financial, real estate	569	452	25.8

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	3,180	8,865	(64.1)
Newsp supp	0	213	NA
Newspaper	5,340	5,643	(5.4)
Outdoor	597	514	16.2
Network TV	183	0	NA
Spot TV	32,041	30,266	5.9
Synd TV	0	20	NA
Network cable	1	382	(99.7)
Spot radio	7,248	11,281	(35.8)
Measured	48,580	57,183	(15.0)
Unmeasured	64,600	76,100	(15.1)
Total	113,180	133,283	(15.1)

Bell Atlantic continues its push to reduce its dependence on regulated network services by moving into cellular telephone, on-line information services for personal computer operators and seeking business abroad. Revenues from its unregulated businesses reached 40% of the corporate total in 1988, up from only 20% in 1987.

Bell Atlantic this June launched a campaign touting its "IQ—Intelligent Network," which links different communications systems such as facsimile machines and computers.

The corporate campaign features celebrities, including Jason Robards, Alex Haley and Roberta Flack. The campaign targets both businesses and residential users.

J. Walter Thompson USA, which handles the campaign, won the account from Ketchum Advertising in June 1988. Its first creative, begun in mid-September, was a corporate campaign themed, "We're More Than Just Talk," to portray Bell Atlantic as more than a telephone company.

Bell Atlantic spent heavily to advertise its Yellow Pages directories in 1988. New Jersey Yellow Pages received $6.2

Leaders past, part of the present

Where have all the Leaders gone? In the 34-year history of *Advertising Age's* report on the 100 Leading National Advertisers, the players have changed dramatically.

Aside from the fact that the price of admission to the Top 100 has risen to $108 million in advertising from $5.7 million in 1956, the first year of the ranking, the makeup of the top 100 has been heavily influenced by several major marketing movements: emergence of a mass market, consolidation, shift to a service economy and globilization of America.

Movement of the population from farm to city in the post World War II era and the tandem emergence of television as an ad vehicle produced a mass market for many local advertisers for the first time. Many largely single product-dominant companies—Morton Salt, Armour & Co., Swift & Co., Wesson Oil & Snowdrift, Andrew Jergens, Simoniz, Bulova Watch Co. and Beech-Nut Life Savers among them—found their way into the Top 100 at this time, only to be swallowed up in subsequent market upheavals.

Industry at the time of this mass migration also began its evolution from basic to consumer, or heavy to light. Nine marketers whose advertising levels were tied heavily to so-called white goods, or household appliances, occupied slots among the Top 100 though they quickly departed: Norge (from Leader, Avco Mfg. Co.), Bendix (from Borg-Warner), Philco, Sunbeam and Westinghouse were among them.

The most dramatic change among the Leaders—and America's corporations as a whole—was the heavy consolidation that took place in the '60s and early '70s, and then later duplicated in spades in the mid-'80s to the present. The "strong" among the Leaders consumed the "weak." Eighty-three former Leaders now rest in toto or in huge chunks within this year's 100, while 18 others have left the charts after being consumed by non-Leaders.

The accompanying timetable demonstrates this heavy consolidation. And sandwiched between these two periods, was the economy's rapid movement from basic to service evidenced by the emergence among the top 100 of computer companies, credit card suppliers and the Baby Bells—and the opening up of America to foreign marketers.

NOTES TO TIMETABLE

This timetable is a compendium of the "lost" or former Leaders which were acquired in whole or in part by this year's Top 100 at least some time in their past. The company entry following the date was either a 100 Leader itself or the ad-driven division that propelled its parent into the Top 100. A 1989 Top 100 is in bold if it is the current resting place of the past leader. The (see . . .) *notations trace the seller and/or buyer as they journeyed through the Leader's chart.*

1956

1956 Avco Mfg.'s Bendix div to Philco Corp. *(see 1961)*
1956 Socony-Mobil Oil Co. renamed from Socony Vacuum Oil
1956 Hunt Foods *(see 1960)* to Ohio Match Co.
1957 Clorox Chemical Co. to **Procter & Gamble** *(see 1963)*
1957 Grove Laboratories to **Bristol-Myers** *(see 1964)*
1957 Eversharp's *(see 1967)* pen div to Parker Pen Co.
1958 Best Foods merges with Corn Products Refining Co. to form Corn Products Co., now **CPC International**
1958 Studebaker-Packard renamed Studebaker Corp., later Studebaker-Worthington *(see 1978)*
1959 Sylvania Electric Products *(see 1981)* merged with General Telephone, renamed General Telephone & Electronics Corp. *(see 1974)*

1960

1960 Adell Chemical Co. renamed Lestoil Products *(see 1969)* in sale to Standard International Corp.
1960 Wesson Oil & Snowdrift Co. to Hunt Foods & Industries *(see 1968)*
1960 Pharmaceuticals Inc. renamed J.B. Williams Co. *(see 1971)*
1961 Vick Chemical Co. becomes Richardson-Merrell *(see 1981)*
1961 Philco Corp. becomes Philco-Ford div of **Ford Motor Co.** *(see 1974)*
1962 American Chicle to **Warner-Lambert** *(see 1969)*
1963 J.A. Folger & Co. to **Procter & Gamble** *(see 1967)*
1964 Drackett Co. to **Bristol-Myers** *(see 1968)*
1964 Liebmann Breweries renamed Rheingold Corp. *(see 1972)*

1965

1965 Simoniz Co. to Morton Salt, renamed Morton International
1965 Theodore Hamm Co. *(see 1973)* to Heublein Inc. *(see 1973)*
1966 Noxema Chemical Co. becomes **Noxell Corp.** *(see 1969)*
1966 Lehn & Fink Products Corp. to Sterling Drug *(see 1988)*
1967 California Packing Corp. becomes Del Monte *(see 1979)*
1967 Revlon's *(see 1986)* Schick Electric to Eversharp *(see 1969)*
1967 Procter & Gamble *(see 1982)* divests **Clorox Co.**
1967 Texize Chemicals *(see 1985)* to Norwich Pharmacal *(see 1969)*
1968 Ohio Match's Hunt Foods & Industries merges with Canada Dry and McCall Corp. to form Norton Simon Inc. *(see 1969)*
1968 Merck & Co. merged with Calgon Corp. *(see 1977)*
1968 Mead Johnson & Co. to **Bristol-Myers** *(1989)*
1968 Consolidated Cigar Corp. to Gulf & Western, now **Paramount Communications**
1968 Continental Baking Co. *(see 1984)* to **ITT Corp.**
1968 Stanley Warner Corp. to Glen Alden Corp. *(see 1968)*
1968 Schenley Industries to Glen Alden Corp. *(see 1969)*
1968 P. Lorillard Co. to Loews Theaters, now **Loews Corp.** *(see 1979)*
1968 Marcoa Inc. *(see 1974)* created with merger of Container Corporation of America and **Montgomery Ward & Co.**
1968 Olin Mathieson Chemical Corp.'s E.R. Squibb & Sons merged with Beech-Nut Life Savers forming Squibb-Beech-Nut *(see 1973, 1981)*
1969 R.J. Reynolds Tobacco becomes R.J. Reynolds Industries (RJR) *(see 1979)*
1969 Eversharp, now Schick Safety Razor Co., *(see 1970)* to **Warner-Lambert**
1969 United Airlines became UAL Inc., later Allegis Corp., and later **UAL Corp.** *(see 1987)*
1969 Norwich Pharmacal to Morton Intl, renamed Morton-Norwich Products *(see 1982)*
1969 American Tobacco Co. becomes **American Brands** *(see 1970)*
1969 Lestoil Products to **Noxell Corp.**
1969 National Dairy Products Corp. renamed Kraftco *(see 1980)*
1969 W.R. Grace & Co.'s Miller Brewing Co. to **Philip Morris** *(see 1978)*
1969 Glen Alden Corp. to Rapid-American Corp. *(see 1975)*

1970

1970 Andrew Jergen Cos. *(see 1988)* to **American Brands** *(see 1987)*
1970 Plough Inc. merged with Schering Corp., creating **Schering-Plough**
1970 Eversharp's Schick Electric Inc. to **Philips NV**
1971 J.B. Williams Co. *(see 1982)* to National Biscuit Co. *(see 1971)*
1971 National Biscuit Co. becomes Nabisco Inc. *(see 1981)*
1972 Shulton Inc. to **American Cyanamid**
1972 Rheingold Breweries *(see 1974)* to **PepsiCo** *(see 1974)*
1973 Theodore Hamm Co. from Heublein *(see 1987)* to Olympia Brewing Co.
1973 Max Factor & Co. *(see 1986)* to Norton Simon Inc. *(see 1981)*
1973 Beech-Nut baby food div *(see 1981)* of Squibb-Beech-Nut to Baker Labs, renamed Baker/Beech-Nut Corp. *(see 1979)*
1973 Swift & Co. creates Esmark *(see 1975)*
1973 Liggett & Myers renamed Liggett Group *(see 1980)*
1974 Rheingold Breweries from **PepsiCo** to Chock Full O'Nuts
1974 Marcoa Inc. to **Mobil Corp.** *(see 1988)*
1974 Philco-Ford *(see 1981)* to General Telephone & Electric Corp.

1975

1975 International Playtex from Rapid-American Corp. *(see 1987)* to Esmark *(see 1978)*
1977 Merck & Co.'s consumer prods (Calgon, Sucrets) to **Beecham** *(see 1982)*
1978 Pet Inc. to IC Industries *(1988)*
1978 Seven-Up to **Philip Morris** *(see 1985)*
1978 STP Corp. from Studebaker-Worthington to Esmark *(1983)*
1979 Baker/Beech-Nut Corp. to **Nestle** *(see 1984)*
1979 Del Monte *(see 1989)* to **RJR** *(see 1982)*
1979 Hanes Corp. to Consolidated Foods, now **Sara Lee Corp.**
1979 Studebaker-Worthington to McGraw-Edison
1979 Bulova Watch to **Loews Corp.** *(see 1988)*

1980

1980 Liggett Group to **Grand Metropolitan** *(see 1987)*
1980 Kraftco merged with Dart Industries, renamed Dart & Kraft *(1986)*
1981 Life Savers from Squibb Corp. *(1989)* to Nabisco Inc. *(see 1982)*
1981 Philco-Ford from Ford, and Sylvania consumer electronics from GTE Corp., to North American Philips Corp.
1981 Columbia Pictures *(see 1989)* to **Coca-Cola Co.**
1981 Richardson-Merrell becomes Richardson-Vicks *(see 1986)*
1981 Norton Simon's Canada Dry *(see 1984)* to Dr Pepper *(see 1984)*
1982 Consolidated Cigars to MacAndrews & Forbes Group
1982 Morton-Norwich's *(see 1982)* Norwich Eaton div to **Procter & Gamble** *(see 1986)*
1982 Morton-Norwich merged with Thiokol Corp., renamed Morton-Thiokol *(see 1985)*
1982 J.B. Williams div of Nabisco Inc. *(see 1982)* to Beecham *(1989)*
1982 Standard Brands to Nabisco Inc., renamed Nabisco Brands *(see 1986)*
1982 Jos. Schlitz Brewing to **Stroh Brewery Co.**
1982 Heublein *(see 1987)* to **RJR** *(see 1985)*
1983 Norton Simon Inc. to Esmark *(see 1984)*
1983 SmithKline, formerly Smith Kline & French, merged with Beckman Industries, renamed SmithKline Beckman *(see 1989)*
1984 Esmark to Beatrice Co. *(see 1985)*
1984 Canada Dry *(see 1985)* from Dr Pepper to RJR *(see 1985)*
1984 Carnation Co. to **Nestle**
1984 ITT's Continental Baking to **Ralston Purina** *(see 1986)*
1984 Milton Bradley to **Hasbro Inc.**

1985

1985 Miles Laboratories to **Bayer AG**
1985 General Foods to **Philip Morris** *(see 1986)*
1985 Beatrice Cos. *(see 1986)* to Kohlberg Kravis Roberts & Co.
1985 RCA Corp.'s Hertz Corp. to **UAL Corp.** *(see 1987)*
1985 Texize div of Morton-Thiokol's to **Dow Chemical**
1985 Nabisco Brands to RJR, renamed **RJR Nabisco** *(see 1985)*
1985 Canada Dry from RJR Nabisco to Cadbury Schweppes
1986 Kraft Inc. *(see 1987)* splits from Dart & Kraft
1986 Richardson-Vicks to **Procter & Gamble**
1986 Chesebrough-Pond's to **Unilever**
1986 Eastern Airlines to **Texas Air Corp.**
1986 Anderson, Clayton & Co.'s *(see 1987)* Gaines brand to **Quaker Oats**
1986 RCA Corp. to **GE**
1986 Beatrice Cos.' STP to Union Carbide *(see 1986)*
1986 Beatrice Cos.' *(see 1987)* Avis to Avis Inc. employees
1986 Max Factor from Beatrice Cos. International Playtex to **Revlon Group**
1986 Union Carbide's *(see 1986)* consumer prods (STP, Simoniz, Glad bags) to First Brands
1986 Union Carbide's Eveready batteries to **Ralston Purina**
1986 Heublein's KFC unit from RJR Nabisco *(see 1987)* to **PepsiCo** *(see 1986)*
1986 Seven-Up Intl div from Philip Morris to **PepsiCo**; Seven-Up domestic to Hicks & Haas, renamed **Dr Pepper/Seven-Up Cos.**
1987 RJR Nabisco's Heublein liquor div to **Grand Metropolitan** *(see 1989)*
1987 Schenley Industries from Rapid-American Corp. to Guinness/United Distillers
1987 UAL's Hertz Corp. to Ford/Volvo/Hertz mgmt group, renamed Park Ridge Corp.
1987 Anderson, Clayton & Co.'s Clayton Foods to Kraft Inc. *(see 1988)*
1987 American Motors to **Chrysler Corp.**
1987 Federated Department Stores to **Campeau Corp.**
1987 National Distillers' distilled spirits to **American Brands** *(see 1988)*
1988 Kraft Inc. to **Philip Morris**
1988 American Brands' Andrew Jergen Cos. to Kao Corp.
1988 BCI Holding's E-II to **American Brands**
1988 Sterling Drug to **Eastman Kodak**
1988 **Loews Corp.**'s Bulova Watch div renamed Bulova Corp.
1988 IC Industries renamed **Whitman Corp.**
1988 North American Philips Corp. becomes wholly owned div of **Philips NV**
1988 Mobil Corp. spins off **Montgomery Ward & Co.** in LBO
1988 Triangle Publications to **News Corp. Ltd.**
1989 Coca-Cola divests 50% of Columbia Pictures to **Columbia Pictures Entertainment**
1989 Pillsbury Co. to **Grand Metropolitan**
1989 Squibb Corp. to Bristol-Myers, renamed **Bristol-Myers Squibb**
1989 SmithKline/Beckman merged with Beecham renamed **SmithKline Beecham**
1989 Warner Communications merged with Time Inc., renamed **Time Warner**
1989 RJR Nabisco's Del Monte div's fruit and vegetables to Polly Peck Intl; sale pending

—Compiled by Gail Taylor

million, up 26%; Chesapeake & Potomac got $5.5 million, up 45% and Bell of Pennsylvania got $4.8 million. Virtually all dollars were in spot TV.

The Bell Atlantic I.Q. Services family of calling features currently are being rolled out. They include Ultra Forward, which allows the programming of call forwarding instructions; Identa Ring, a single line with multiple telephone numbers each with a different ring and Caller ID, which displays the number of the calling party. The latter service met some opposition from consumers and civil liberty groups over issues of right to privacy.

Bell Atlantic's Information Gateway—which offers personal computer users access to information services through a single telephone line—began tests at C&P Telephone and Bell of Pennsylvania in 1988. Videotex services also may enter other markets depending on current tests in Philadelphia and Washington. Advertising of this targeted service is chiefly through direct marketing.

Bell Atlantic Mobile Systems, the sixth largest cellular carrier, expanded its customer base 50% in 1988 over the prior year as advertising grew to $280,000 from $126,000, almost all outdoor. Ad spending is likely to increase because cellular is increasingly becoming a retail service as costs drop. Bell Atlantic International is boosting its activities overseas. It reached agreements in Spain and the Netherlands to upgrade national telephone networks, and this summer, announced the formation of European headquarters in Brussels. With generally fewer market restrictions abroad, markets overseas are beginning to lure the Baby Bells.

BELL ATLANTIC
1600 Market St.
Philadelphia, Pa. 19103
(215) 963-6000

Corporate personnel: Christopher E. Clouser, vp-corp relations & adv; Christine Davies, asst vp-adv; Deanna Hess, asst vp-adv; Christina Clifton, mng dir, Yellow Pages, operator svcs & public adv; Charles Pacunas, mng dir-direct mktg & consumer adv; Melanie van der Valk, dir, Bell Atlantic Mobile Systems adv; Roy Weitzell, mng dir, corp & business adv.

Brands/services by agency of record:

Corp, prod & intl adv
Media planning & buying

Ad agency: J. Walter Thompson USA, New York: Peter Hanley, sr vp-mgmt dir; Melissa Murphy, sr vp-mgmt super; Vicki Derfler, vp-acct dir; Julie Westerman, Abby Warner, vps-acct supers; Ellen Dracos, acct super; Richard Kostyra, exec vp-media dir; Mark Stewart, vp-assoc media dir; Jean Pool, sr vp, dir-local broadcast.

■

Mobile Systems

Ad agency: W.B. Doner & Co., Baltimore: James Dale, vice chmn-corp creative dir; Donald Riesett, exec vp-acct mgmt dir; John Havrilla, vp-mgmt super; Nancy Knox, sr acct super.

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Bell Atlantic Yellow Pages

Ad agency: Lewis, Gilman & Kynett, Philadelphia: Len van Zyl, president-ceo; Brian Gail, sr vp-group mgmt super; Hal Rossiter, vp-mgmt super; Erin Armstrong, acct exec; Stephanie Esposito, Julia Weiss, asst acct execs.

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New Jersey Bell Yellow Pages

Ad agency: Poppe Tyson, Morris Plains, N.J.: Gary Davis, president; Brian Haumersen, John Manos, vps-acct supers; Herb Ross, vp-mgmt super; Paul Wry, Judy Henehan, Susan Cross, acct execs; Jennifer Alexander, acct super-pr.

■

Bell Atlantic Direct Marketing

Ad agency: Devon Direct Marketing & Advertising, Malvern, Pa.: Ronald Greene, James Perry, mng dirs; Marianne Croze, vp-mgmt super; Ruth Trofa, sr acct super; Wendy Weisbond, acct super; Lisa Leone, acct mgr.

RANK
99

Borden Inc.

New York
ADVERTISING: $110.5 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	7,235	6,514	11.1
Earnings	312	267	16.8
■ U.S.	**1988**	**1987**	**% chg**
Sales	5,621	5,355	5.0
Operating income	546	493	11.1
■ Division sales	**1988**	**1987**	**% chg**
Foods	5,386	4,657	15.6
Non-food	1,858	1,857	0.0

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,893	3,186	85.0
Newsp supp	0	81	NA
Newspaper	6,546	3,296	98.6
Outdoor	114	97	17.7
Network TV	8,131	164	4,872.8
Spot TV	10,517	13,925	(24.5)
Synd TV	1,460	0	NA
Network cable	38	34	10.9
Spot radio	4,873	4,896	(0.5)
Measured	37,570	25,678	46.3
Unmeasured	72,900	49,800	46.4
Total	110,470	75,478	46.4

Borden continues its three-part strategy for continued development: higher ad spending, greater internal efficiencies and acquisitions.

Total ad spending in 1988 increased an estimated 46%, according to *Advertising Age*. Borden says its total 1988 budget for all ad "related" costs was $455.2 million, including $384 million for "promotions."

Besides its lead in dairy production, Borden is the world's biggest pasta maker and marketer; No. 2 in snacks, behind PepsiCo's Frito-Lay; biggest marketer of canned specialty seafood—clams, crab, shrimp and oysters; biggest producer of ice cream, fat-reduced cheese products, bagged popcorn, single-portion foods for foodservice, household glues, canned spray paint and wallcoverings. It also is No. 1 in production of forest-product adhesives, which are the binders of plywood, and PVC film.

Dairying, the cash cow that Borden milks to keep other divisions healthy, is the heart of the company, generating 26% of sales and 16% of operating income. Basically a commodities business, it receives little advertising. For the first time in many years, Borden allotted media advertising—$740,000—for its Meadow Gold fresh dairy products on a marketwide scale.

This past year Tracy-Locke, Dallas, got the estimated $5 million Borden dairy account previously handled by two Chicago shops, HDM/Dawson Johns & Black and Bozell, Jacobs, Kenyon & Eckhardt (now Bozell Inc.).

In a rollout of the Creamettes pasta line nationally—its first national pasta brand—Borden invested $7.9 million in print and broadcast TV.

Measured spending of $27.8 million for Borden's hottest marketing area—niche groceries—represented 73.8% of its 1988 media total. The allotment included nearly $10 million for macaroni products and more than $12.3 million for the nationwide debut of premium Classico pasta sauces, a brand that came with Borden's June 1987 acquisition of the Prince Co.

Some 94% of the Classico spending was for network and spot TV. This helped buy 6% of the $1 billion pasta sauce market, moving Classico to No. 3 behind leaders Ragu and Prego, even though it sells at a premium, some 50% more than either of the top two.

In the pasta market, industry estimates put Borden's Creamettes line at No. 1, followed by No. 2 Hershey's with its several brands at 18% and No. 3 CPC International's Mueller brand.

The Creamettes account moved in 1988 to Grey Advertising from M&H Advertising, New York. In the $7 billion U.S. salty snack market, Borden's share has been creeping up as market leader Frito-Lay's has been declining slightly. Borden's share in 1988 was 8% of market compared with Frito-Lay's 50% (down from 53% in 1987) and Anheuser-Busch's Eagle Snacks, 1%. Borden spent $2.3 million in measured media on its salty snack lines, down 36%.

Its potato chip brands (Guy's, Jays, Krunchers, Ridgies, Seyferts), climbed to about 15% share of market from 11% two years ago, while Frito-Lay slipped from 40% to 38%.

Borden's dominates several categories. It holds 75% of the packaged lemon and lime juice business, 60% of the bouillon market, half the market for diet aged cheese and caramel popcorn (Cracker Jack) and just about all (possibly 95%) of the condensed milk and packaged mincemeat business.

A major part of the company's efficiency strategy is the hyperplant, a huge production facility that combines five or six smaller plant functions to turn out many products at the single site.

From March 1986 to mid-July 1989, Borden spent $1.55 billion to acquire 70 companies; it received $944 million in divesting 21 companies that did not meet growth or product plans. Major 1989 acquisitions were Canada's John Labatt Ltd., United Maple Products and Catelli Inc., which holds Canada's biggest market shares in both pasta (35%) and pasta sauce (22%).

Earlier in 1989, the $3.3 million Aunt Millie's Family Style spaghetti sauce account was assigned to Solin Associates, New York. Martinez Associates, Dallas, became Borden's first Hispanic agency of record.

BORDEN INC.
277 Park Ave.
New York, N.Y. 10172
(212) 573-4000

Packaging & Industrial Products Division

Marketing personnel: A.S. D'Amato, exec vp, president; Bruff Turner, genl mgr, Sunwell of America; Robert A. Brewer, genl mgr, Columbus Coated Fabrics.

Brands/services by agency of record:

PR for-
Wall-Tex
Satinesque
Guard
Sun-Tex
Borden Home Wallcoverings
Birge
Crown
Fashion House
Foremost
James Seaman Studios
Mitchell Designs
Shand Kydd
Sunwall

Ad agency: Lord, Sullivan & Yoder Advertising, Columbus, Ohio: Nancy Barr, acct super; Jane Fallin, acct exec.

Grocery & Specialty Products Division

Marketing personnel: Jon G. Hettinger, exec vp, president; Lee N. Arst, group vp, confection & main meal; Jerry C. Clowdus, group vp, foodservice & industrial; John F. Dix, group vp, desserts & non-foods; L. John Westerberg, group vp, pasta; Dale Schulz, vp-sales & mktg, pasta; Marti Yeager, adv mgr, pasta.

Brands/services by agency of record:

Cracker Jacks
Eagle brand sweetened condensed milk
Borden processed cheese prods
ReaLemon
Creamette pasta (natl)
Elmer's prods
Krylon paint
Wyler's & Steero bouillon
Mrs. Grass soup mix
Soup Starter
Fisher substitute cheese
None Such mincemeat
Bennett's sauces

Ad agency: Grey Advertising, New York: Stewart Hegleman, exec vp.

■

Pastas:
Anthony's
Bravo
Creamette (regional)
Dutch Maid
Gioia
Globe A-1
Goodman's
Luxury
Merlino's
Mrs. Grass
New Mill
Pennsylvania Dutch
Prince
R-F
Red Cross
Ronco
Silver Award
Vimco

Ad agency: M&H Advertising, Minneapolis: Steve Martin, president.

■

Kava coffee
Bama jams & jellies
Cremora non-dairy creamer
Laura Scudder's peanut butter
Cary's, MacDonald's & Vermont
Maple Orchards maple syrup

Ad agency: Sive Associates, Cincinnati: Dave Siegel, Phil Mandel, group supers; Jeff Harris, acct exec.

■

Classico
Prince & Aunt Millie pasta sauces
Snow's, Doxsee, Orleans, Harris, Hilton's
& DeJean's canned seafoods

Ad agency: Solin Associates, New York: Darrol Solin, president; Mary-Ann Lambert, acct exec.

Snacks & International Products Division

Marketing personnel: George J. Waydo, exec vp, president; Peter M. Duggan, group vp, snacks; Chris Abernathy, vp-mktg, snacks.

Brands/services by agency of record:

Jays snacks
Crane snacks

Ad agency: Grant/Jacoby, Chicago: John Willie, sr vp-acct svc mgr; Kimberly Vigneux, Alicia Howington, Midge Mountain, acct supers; Laura Trevino, acct exec; Andrea Murphy, sr vp-creative dir.

■

Clover Club snacks
LaFamous snacks
Red Seal snacks

Ad agency: Harris & Love, Salt Lake City: Kerry Lehtinen, sr vp-acct super; Charlie Seldin, vp-acct exec.

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Borden snacks
Wise snacks
Snacktime
Guy's
Seyfert's
Buckeye
Geiser's

Ad agency: Jordan, McGrath, Case & Taylor, New York: Don Weir, sr vp-mgmt rep; Linda Schaler, sr vp-mgmt super; Shelley Sharkey, vp-acct super; Paul Sorensen, acct exec.

■

Coco Lopez cream of coconut

Ad agency: Venet Advertising, New York: Chuck Levy, acct rep.

Dairy Division

Marketing personnel: Richard W. Fowlkes, exec vp, president; Bill Baar, vp-sales & mktg; James Hill, vp-eastern zone; Doug Parr, vp-western zone; Steve Robinson, vp, ice cream.

Brands/services by agency of record:

Borden dairy prods
Meadow Gold dairy prods

Ad agency: Tracy-Locke, Dallas: Alan Burks, sr vp; Brian Maysent, acct super.

RANK
21

Bristol-Myers Squibb

New York
ADVERTISING: $430.7 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	8,558	7,558	13.2
Earnings	1,254	1,068	17.5
■ U.S.	**1988**	**1987**	**% chg**
Sales	5,607	5,169	8.5
Operating income	1,462	1,296	12.8
■ Division sales	**1988**	**1987**	**% chg**
BM-Pharmaceuticals	2,509	2,217	13.2
Non-prescr health prods.	1,633	1,504	8.6
Toiletries, beauty aids	1,288	1,189	8.4
Household prods	543	491	10.5
SQ-Pharmaceuticals	2,213	1,843	20.1
Medical prods	371	314	18.4

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	43,616	40,154	8.6
Newsp supp	597	73	718.9
Newspaper	6,771	490	1,281.0
Outdoor	0	87	NA
Network TV	121,265	137,519	(11.8)
Spot TV	11,148	9,772	14.1
Synd TV	32,647	27,455	18.9
Network cable	7,092	4,790	48.0
Network Radio	3,591	2,374	51.3
Spot radio	1,167	1,157	0.9
Farm pub		485	NA
Measured	227,893	224,355	1.6
Unmeasured	202,800	199,700	1.6
Total	430,693	424,055	1.6

Bristol-Myers Squibb has become the second largest pharmaceutical company in the U.S. behind Merck & Co. with the merger of Bristol-Myers and Squibb Co.

The company, its merger to be formalized this October, offers an edge in the fast-growing conversion of prescription drugs to OTC remedies, analysts said. The OTC market could grow to $30 billion in the next 10 years, up from its current $12 billion, fueled largely by prescription drugs that will be converted to OTC products, said analyst Robert Benezra of H.C. Wainwright, Boston.

Analysts viewed the merger as a good fit, giving B-M an expanded presence in research, while giving Squibb a consumer products heritage.

Squibb's recent efforts to develop OTC products haven't been successful. A fall 1988 test of analgesics under the Squibb-Care name never rolled out, and the company last year pulled its support for Proto-Chol fish oil caplets after that market went belly up.

Richard Gelb, Bristol's chairman-CEO, will maintain that title in the merged company. Richard Furlaud, Squibb's chairman-CEO, will serve as president, with responsibility for pharmaceuticals. The new company will be headquartered in New York, but Princeton, N.J.-based Squibb will maintain its offices.

Through this August, the merged companies hadn't announced any new agency relationships. In consumer advertising, Squibb was a minor force, having spent just $4 million via Saatchi & Saatchi Advertising, New York.

The Bristol-Myers Squibb merger followed two other mergers in the drug industry this year: Beecham PLC and SmithKline Beckman Corp. as SmithKline Beecham, and Marion Laboratories with Merrell Dow Pharmaceuticals.

Analysts said unlike the other mergers—which came out of weakness—both Squibb and Bristol were financially strong corporations.

B-M continued to benefit from the groundswell of evidence linking aspirin and heart attack prevention. Currently, the FDA permits marketers of aspirin to advertise aspirin as a prevention against a second heart attack only, but new studies have uncovered evidence of aspirin's effectiveness in preventing a first heart attack. Industry observers expect the FDA to permit broader aspirin claims as early as this fall.

Despite publicity about its benefits against second heart attack, aspirin unit sales in 1988 were flat, while dollar volume increased 7% to more than $800 million in retail sales due to price hikes, according to Kline & Co., Fairfield, N.J.-based pharmaceutical consultants.

Aspirins hold 40%, acetaminophen's 40% and ibuprofens 20% of the total analgesic market valued at just over $2 billion at retail. Among aspirins, Sterling Drug's Bayer has the top share at 7% total market, followed by American Home Product's Anacin, with about 6%. B-M's Excedrin and Bufferin brands rank third and fourth, each with about 5% of total market, said Kline & Co.

Among acetaminophens, J&J's Tylenol Regular and Extra-Strength hold 25% of the entire analgesic market, said Kline. Ibuprofens are paced by AHP's Advil with 10% of total market, followed by B-M's Nuprin at 5%, according to Kline. Both brands saw sales growth of about 20% in 1988. Johnson & Johnson's Medipren, also an ibuprofen, holds about 3% of market.

In 1988, ad spending on aspirin industrywide increased 22% to $102.7 million, according to LNA/Arbitron. B-M was definitely a part of that surge, having doubled spending for Bufferin from 1987 to $16 million in 1988. That increase came at the expense of B-M's other analgesics. B-M cut ad spending for its Nuprin ibuprofen by 19% to $24 million and held spending on Excedrin at $19 million.

Bristol-Myers Squibb's overall measured ad spending in 1988 was up only about 1.6% from a combined level in 1987, according to LNA/Arbitron.

Apart from the heavy spending on analgesics, the Clairol line of hair care products drew the next largest concentration of ad dollars—$45 million, down 7%. Bristol-Myers remains the leader in the $440 million women's hair coloring market, with a 60% share, followed by Cosmair's L'Oreal with 25% and Revlon's 5%.

BRISTOL-MYERS CO.
345 Park Ave.
New York, N.Y. 10154
(212) 546-4000

Marketing personnel: Marvin H. Koslow, sr vp-mktg svcs; Thomas D. McCann, vp-corp comm; Peter J. Spengler, vp-adv svcs.

Consumer Products Group

Corporate personnel: Ronald A. Ahrens, sr vp, president.

Marketing personnel: Bristol-Myers Products: Stephen E. Bear, president; Peter R. Dolan, vp-mktg. Drackett: Douglas G. Cowan, president; John C. Hassan, vp-mktg. Clairol: C. Benjamin Brooks, president; Gerald C. Beddall, exec vp, consumer prods div; Michael Powell vp-mktg, established brands, consumer prods div; Michael A. DeGennaro, president, professional prods div; Nancy Flynn, vp-mktg, professional prods div; Sidney Gibson, president, health & beauty appliances div; Jeanne Hansen, Wayne Barnett, dirs-mktg, health & beauty appliances div. Monarch: M. Arthur Wilson, president; George Evans, vp-mktg svcs.

Health Care Group

Corporate personnel: Thomas H. Hughes Jr., president.

Marketing personnel: Zimmer: Ronald L. Davis, president. Medical Engineering Corp.: Robert J. Helbling, president; Nancy Caffiero, vp-mktg. Jobst: Joseph W. Cilurzo, president; Stephen A. Dezember, vp-mktg & sales. Xomed-Treace: W. Patrick Cusick, president; John Madding, vp-mktg.

U.S. Pharmaceutical & Nutritional Group

Corporate personnel: Raymond C. Egan, president.

Marketing personnel: US Pharmaceutical Group: Bruce R. Ross, president; Gary P. Gibson, vp-genl mgr, Bristol Laboratories. US Nutritional Group: Donald G. Harris, president; John Nordberg, vp-mktg; John M. Bullock, vp-genl mgr, Mead Johnson Nutritionals; Frederick M. Brubaker, vp-genl mgr, Mead Johnson La-

Top 25 newspaper advertisers

Rank	Advertiser	Newspaper expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	May Department Stores Co.	$224,282	$230,174	(2.6)	56.1
2	Macy Acquiring Corp.	182,212	176,033	3.5	59.0
3	Sears, Roebuck & Co.	160,969	175,052	(8.0)	15.4
4	Campeau Corp.	124,488	134,833	(7.7)	47.8
5	Dayton-Hudson Corp.	90,630	81,062	11.8	39.4
6	General Motors Corp.	86,835	83,841	3.6	6.7
7	Texas Air Corp.	82,441	66,647	23.7	64.0
8	Philip Morris Cos.	76,711	46,048	66.6	3.7
9	Carter Hawley Hale Stores	75,554	52,353	44.3	47.3
10	J.C. Penney Co.	74,568	90,721	(17.8)	17.5
11	K Mart Corp.	73,073	82,033	(10.9)	11.6
12	Montgomery Ward & Co.	63,500	67,176	(5.5)	40.9
13	American Stores Co.	61,803	65,659	(5.9)	24.7
14	Time Warner	42,037	36,748	14.4	10.3
15	Woodward & Lothrop	38,856	36,625	6.1	48.7
16	RJR Nabisco	37,704	12,934	191.5	4.6
17	B.A.T. Industries PLC	35,915	61,875	(42.0)	19.5
18	Tandy Corp.	32,911	38,900	(15.4)	14.2
19	American Telephone & Telegraph	32,690	32,610	0.2	6.0
20	Dillard Department Stores	32,073	29,057	10.4	43.4
21	American Express Co.	30,251	29,286	3.3	12.2
22	Circuit City Stores	29,654	25,124	18.0	29.4
23	General Electric Co.	29,357	33,121	(11.4)	10.6
24	Safeway Stores	28,738	34,403	(16.5)	28.5
25	AMR Corp.	28,671	36,654	(21.8)	23.8

Note: Dollars are in thousands. **Source:** Leading National Advertisers/Media Records.

AA chart: Kevin Brown

boratories; Jeffrey B. Marsh, vp-genl mgr, Bristol-Myers Institutional Products. Westwood Pharmaceuticals: Wilfred J. Larson, president; Barry L. Burnside, vp-mktg & sales.

Science & Technology Group

Corporate personnel: Abramo Virgilio PhD., president.

Marketing personnel: Pharmaceutical Research & Development Division: Stephen K. Carter, president; George Todaro M.D., president, Oncogen. Genetic Systems: Robert C. Nowinski PhD., president. Industrial Division: T. John Potter, president.

Brands/services by agency of record:

Excedrin
Final Net
Loving Care
Nice 'n Easy
Sea Breeze line
Silk & Silver
Special Effects
Instant Beauty
Clairol div trade adv

Ad agency: DDB Needham Worldwide, New York: Rein Luik exec vp; Lucille Cotugno, sr vp-mgmt super.

■

4-Way
Nuprin
Drano line
Windex
Clairesse
Miss Clairol
Ultress
New User

Ad agency: Grey Advertising, New York: Clark Montgomery, exec vp; Herbert Leiberman, sr vp; Harvey Robinson, mgmt super, Drano, Windex.

■

Ban Roll-on
Bufferin
Comtrex
Congesprin
Vanish line
Behold
Endust
Renuzit Roommate
Renuzit Freshell
Fresh 'n Dry
Condition
Mr. Muscle
Keri lotion
Presun
Lac-Hydrin

Ad agency: Laurence, Charles, Free & Lawson, New York: Susan Holson, mgmt acct super; Robin Coval, mgmt acct super, Comtrex; Richard Goldschmidt, acct super, Drackett; Linda Tilton, mgmt super, Condition.

■

Twinkle
O'Cedar

Ad agency: Fahlgren & Swink, Cincinnati: Tim Seifert, president.

■

Clairol appliances
Option

Ad agency: Calet, Hirsch & Spector, New York: Terri Gibralter, mgmt super.

■

Poly-Vi-Sol Flor
Tempra

Ad agency: Goble & Associates, Chicago: Jacqueline Fitzgerald, James Robinson, vps-client svcs.

■

Gerber

Ad agency: J.Walter Thompson USA, Chicago: Stephen G. Bowen Jr., president.

SQUIBB CORP.

P.O. Box 4000
Princeton, N.J. 08543
(609) 921-4000

Corporate personnel: Richard M. Furlaud, chmn-ceo; Charles A. Sanders MD, vice chmn; Jan Leschly, president-coo, ceo, Pharmaceutical Products Group; Joseph T. Stewart Jr., sr vp-corp affairs.

Marketing personnel: D.C. Fill, president-cep, E.R. Squibb & Sons; William C. Weathersby, group vp, president, Squibb Health Care Group; Kenneth E. Wig, group vp, president, Squibb Pharmaceuticals Group; Robert H. Miller, group vp, ceo, Personal Care Products Group.

Brands/services by agency of record:

Theragran
ProChol

Ad agency: Saatchi & Saatchi Advertising, New York: Rich Pounder, mgmt dir; John Haskins, acct exec.

■

Surgicot

Ad agency: Bozell Inc., New York: Gene Bartley, exec vp-genl mgr.

■

Dignity pharmaceuticals

Ad agency: Penchina, Selkowitz, New York: Steven Penchina, chmn-creative dir.

RANK
52

Campbell Soup Co.

Camden, N.J.
ADVERTISING: $202.5 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	4,869	4,490	8.4
Earnings	274	247	10.9
■ U.S.	**1988**	**1987**	**% chg**
Sales	3,906	3,657	6.8
Operating income	382	396	(3.6)
■ Division sales	**1988**	**1987**	**% chg**
Campbell U.S.	2,634	2,496	5.5
Pepperidge Farm	493	456	7.9
Vlasic Foods	353	283	24.5
Mrs. Paul's Kitchens	150	153	(1.8)
Campbell Enterprises	276	266	3.8
Campbell International	1,034	895	15.6

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	11,686	22,706	(48.7)
Newsp supp	410	365	12.4
Newspaper	11,164	2,594	330.4
Outdoor	1,539	687	123.9
Network TV	53,574	60,687	(11.7)
Spot TV	27,578	30,481	(9.5)
Synd TV	5,883	6,110	(3.7)
Network cable	3,057	2,666	14.7
Network Radio	18,572	14,783	25.6
Spot radio	4,196	3,383	24.0
Measured	137,660	144,502	(4.7)
Unmeasured	64,800	68,000	(4.7)
Total	202,460	212,502	(4.7)

After controversy erupted over the six-year old theme, "Soup is Good Food," Campbell Soup Co. revived its "M'm'm good" tag line and refocused marketing on its core red-and-white label soup brands.

The company was rewarded in fiscal 1989 with a 14% increase in net sales for the first nine months, and a 2.9% increase in net earnings.

Campbell recovered from a stagnant fiscal 1987 by refocusing marketing efforts and re-evaluating line extensions. Campbell also had to deflect unfavorable attention from regulators over nutrition claims made for its soup products. The company ultimately settled ad claim disputes with nine states, while a court battle is pending with the FTC.

A popular campaign for Home Cookin' soups, featuring the voice of actor Jimmy Stewart, typified the kind of down-home, emotive feeling Campbell used to advertise its soups under the new creative direction. Home Cookin' received $8.4 million in measured spending, up 55%. Measured ad spending of the red-and-white label soups increased by 6% to $28 million, while Chunky soups ad spending rose 43% to $12 million.

Campbell in 1988 tested microwave soup, packaged in single-serve omnicups and Super Combos, microwave-ready soup and sandwich duos.

The company considered at length establishing an incentive system for agency compensation, but eventually nixed the idea.

For fiscal 1990, which began August 1989, Campbell has announced a 15% increase in its marketing and ad budget. Two-thirds of the increase will go toward promotion. Promotions in 1988 included women's sport-oriented sweepstakes, endorsements from U.S. Olympic figure skater Jill Trenary and a line of children's clothing featuring the chubby-cheeked Campbell Kids.

In March 1988, Campbell's Prego spaghetti sauce went on the offensive against category leader Chesebrough-Pond's Ragu with comparative 15-second TV ads showing two plates of pasta, one with Prego, looking thick and chunky, and one with Old World Ragu, looking so watery it disappeared into the noodles. While Prego attributed a 19% boost in unit sales to the campaign, Ragu called foul and urged networks to refuse the spots. Prego's market share, which had fallen to 18% by late 1987, had risen to 23.9% by April 1989. At the same time, Ragu lost 4 share points, falling from 52% to 48.3%. Prego pulled $34 million in media advertising, up from $7 million in 1987, according to LNA/Arbitron.

Canned pasta also has been a high-growth segment, climbing 8.4% last year to $548 million. American Home Products' Chef Boyardee dominates the category with 58.3% to Campbell's 35.7% through its Franco American brand, which got two line extensions—Teddy O's and Sports O's—in 1988.

Although premium-priced dinners represent about one-half of dollar sales of frozen dinners, the category experienced a 2.1% drop in 1988 and is losing shelf space rapidly. Sales in 1988 of $500 million were only half of the $1 billion high of 1984.

Campbell had banked on consumers paying extra for the microwaveable convenience. Highly successful brands, such as Campbell's Le Menu, which had carried a price of about $3.89, are receiving stiff competition from Kraft's low-price Budget Gourmet, priced at around $2.39. Le Menu's measured media fell to a minute $410,000 in 1988, from $2.6 million in 1987 as it diverted spending to price promotion and couponing.

In late 1988 and into 1989, Campbell shifted its emphasis to Le Menu LightStyle products, which carry an average price of $2.89 and are promoted as having lower fat content and fewer calories (300) than other frozen entrees. LightStyle has 10.4% of the premium dinner segment, according to the company.

A campaign from Saatchi & Saatchi themed "Drink V-8 and keep your diet straight," helped Campbell increase its share of the $340 million red juice market from 48% to 54%. V-8 spent more than $10.5 million in measured media, double its 1987 outlay.

The death in April of Campbell's Chairman John T. Dorrance Jr., son of the company's founder, fueled takeover rumors because of his large 32% holding in the company. Speculation ebbed, however, when Mr. Dorrance's son, Bennett, joined the board.

CAMPBELL SOUP CO.

Campbell Place
Camden, N.J. 08103-1799
(609) 342-4800

Corporate personnel: R.G. McGovern, president; H.M. Baum, president, Campbell USA; C.V. Stinnett, president, Campbell Enterprises, vp-corp mktg & sales.

Marketing personnel: P.N. Mulcahy, vp-adv, president, CSC Advertising; A.J. Dale, president, Campbell Sales Co.; Zoe Coulson, vp-consumer issues; A.J. Adams, dir-mktg rsch; D.F. Macaulay, dir-design; G.D. Mahrlig, dir-media svcs; H.P. Pelouze, dir-promo.

Soup Group

Corporate personnel: H.M. Baum, president, Campbell USA.

Marketing personnel: D.E. Goerke, category genl mgr, microwave soups; Kathleen MacDonnell, category genl mgr, ready-to-serve soups; R.F. Bernstock, category genl mgr, condensed soups; W.H. Allen, dir-Home Cookin' & Prego; Betty Cronin, dir-mktg, cooking soup; J.N. Haring, dir-mktg, Chunky; Roberta Kitchenoff, Gregory Kane, mktg mgrs, microwave soups; T.L. Cruikshank, mktg mgr, Home Cookin'; J.V. Wissink, mktg dir, condensed soups; H.G. Parker, mktg mgr, Special Request; L.M. Klein, mktg mgr, ready-to-serve soups; B.G. Walker, mktg mgr, condensed soups.

Brands/services by agency of record:

Red & white label condensed soups
"Special Request" soups

Ad agency: Backer Spielvogel Bates Worldwide, New York: Robert Holmen, exec vp-ceo; Joseph Prior, sr vp-mgmt super; Pamela Marcus, Nancy Adler, Suzanne Brisedine, acct supers.

■

Chunky Soup
Home Cookin'

Ad agency: BBDO, New York: Anthony Brescia, mgmt super, Robert McGreevy, acct super.

■

Hispanic adv

Ad agency: Conill Advertising, New York: Rafael Conill, chmn; Alicia Conill, president.

Dry Foods

Marketing personnel: P.M. Gummeson, group genl mgr; M.A. Kane, assoc mktg mgr.

Brands/services by agency of record:

Dry quality soup & recipe mix

Ad agency: (In-house): CSC Advertising: P.N. Mulcahy, president.

Convenience Foods

Corporate personnel: S.A. McNeil, vp-group genl mgr.

Marketing personnel: W.R. Lorgis, category genl mgr, traditional meals; A.D. van Beuren, category genl mgr, Great Starts breakfasts; R.J. Land, category genl mgr, premium meals; P.F. Goodman, D.H. Kauffman, mktg dirs, traditional meals; G.S. Loesch, mtkg dir, Great Starts breakfasts; M.S. Kessler, mktg dir, premium meals; R.M. Revelle, M.G. Smith, J.P. Brennan, B.L. Wexler, mktg mgrs, traditional meals; L.C. Rohrer, J.A. Zielinski, J.T. Jury, mktg mgrs, premium meals; R.A. Bader, mktg mgr, Great Starts breakfasts; E. Waterman, assoc mktg mgr, traditional meals.

Brands/services by agency of record:

Traditional meals
Great Starts breakfasts
Premium meals

Ad agency: Ogilvy & Mather, New York: Graham Phillips, exec vp-super; Linda Cornelius, sr vp-group dir; Laurel Richie, vp-acct dir; Trish McGovern, acct coord.

Grocery

Corporate personnel: Robert Subin, vp-group genl mgr; J.F. Van Stone, category genl mgr, prepared foods; J.M. Dorsch, category genl mgr, beverages; R.P. Grady, chmn-ceo, Juice Bowl Products.

Marketing personnel: M.H. Muller, sr mktg mgr, beverages; T.C. Sager, mktg mgr, beverages; B.W. Curewitz, asst mktg mgr, beverages; M.A. Giannone, mktg coord, beverages; G.T. Fassak, mktg dir, prepared foods; S.R. Ritter, mktg mgr, prepared foods; J.A. Bertels, G.K. Poirier, assoc mktg mgrs, prepared foods; G.H. Warwick, asst mktg mgr, prepared foods.

Brands/services by agency of record:

Prego spaghetti sauce
New prods

Ad agency: FCB/Leber Katz Partners, New York: Bob Hirsch, sr vp-mgmt rep; Nancy Beck, vp-acct super; Beth Green, acct exec.

■

V-8
Campbell's Tomato Juice
Juice Bowl
New prods

Ad agency: Saatchi & Saatchi, London: Andrew Stanbridge, group acct dir; Chris McCann, acct dir; Chris Harris, acct super; Cindy Archer, acct exec.

■

Franco-American pasta
Campbell's Beans

Ad agency: (In-house): CSC Advertising: P.N. Mulcahy, president.

Campbell Food Service Co.

Corporate personnel: C.V. Stinnet, president, Campbell Enterprises.

Marketing personnel: J.L. Patten, president; W.C. Lehneis, vp-mktg; John Riley, dir, deli-bakery business; E.A. Lynn, dir-mktg; D.S. Mora, sr mktg mgr; W.W. Gabrys, mgr-special svcs; M.P. Garrison, T.L. Clemm, mktg mgrs; Dick Lebulski, operations mgr.

Brands/services by agency of record:

Food service

Ad agency: Della Femina, McNamee WCRS, New York: Tom Lewy, vp-acct super.

Refrigerated Foods

Corporate personnel: R.A. Earle, group genl mgr.

Marketing personnel: T.C. Canard, genl sales mgr.

Brands/services by agency of record:

Refrigerated foods

Ad agency: Britt Agency, Lynchburgh, Va.: Frank Britt, acct exec.

Mrs. Giles Country Kitchens
Lynchburg, Va.

Corporate personnel: R.A. Earle, president.

Marketing personnel: T.C. Canard, vp-sales & mktg; R.S. Dow, mktg dir.

Brands/services by agency of record:

Mrs. Giles Country Kitchens

Ad agency: Britt Agency, Lynchburgh, Va.: Frank Britt, acct exec.

Mrs. Kinsers Home Style Foods
Smyrna, Tenn.

Corporate personnel: R.A. Earle, president.

Marketing personnel: R.S. Dow, mktg dir.

Brands/services by agency of record:

Mrs. Kinsers Home Style foods

Ad agency: Britt Agency, Lynchburgh, Va.: Frank Britt, acct exec.

New Ventures Group

Corporate personnel: P.S. Levy, genl mgr; J.A. Blood, category genl mgr, convenience stores; P. Masaracchio, category genl mgr, business devel.

Marketing personnel: D.M. Stalker, mktg mgr, convenience stores; E.A. Senior, sr project dir, Souper Combo; J.A. Herget, assoc mktg mgr, Souper Combo; J.M. Davidson, project dir, refrigerated foods.

Brands/services by agency of record:

Souper Combo

Ad agency: BBDO, New York: Anthony Brescia, mgmt super; Wendy Goralnick, acct exec.

Fresh Foods Group

Corporate personnel: K.W. Leighton, group genl mgr.

Marketing personnel: F.A. Dudowicz, dir-mktg; S.J. Stiles, mktg mgr; M.D. Pommer, sr mktg mgr, Marie's; S.M. Regan, category genl mgr, salad dresssings.

Brands/services by agency of record:

Campbell's Fresh

Ad agency: (In-house): CSC Advertising: P.N. Mulcahy, president.

■

Marie's

Ad agency: Margeotes/Fertitta & Weiss, New York: George Fertitta, president; Melissa Norrgard, acct super.

Godiva Chocolatier
New York

Corporate personnel: Tom Fey, president.

Marketing personnel: J.D. Parks, vp-mktg; Robin Scheer, Gail Seibel, dirs-mktg.

Brands/services by agency of record:

Godiva

Ad agency: Margeotes/Fertitta & Weiss, New York: George Fertitta, president; John Margeotes, chmn-ceo; John Weiss, exec vp-creative dir.

Vlasic Foods
Bloomfield, Mich.

Corporate personnel: J.R. Scales, president.

Marketing personnel: R.W. Shaw, vp-business planning & devel; L.T. Uhl, dir-mktg rsch; D.M. Striegel, vp-food service; David DeWalt, dir-mktg, food service; Thomas Bitterman, sr vp-genl mgr, gravies & sauces; Timothy List, mktg dir, gravies & sauces; Raul Herrero, sr vp-genl mgr, olives; B.B. Gesserman, mktg dir, olives; D.L. Langhino, sr vp-genl mgr, pickles; E.C. Tazzia, vp-mktg, pickles.

Top 25 supplement advertisers

Rank	Advertiser	Newspaper supplement expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	National Paragon Corp.	$41,404	$44,813	(7.6)	NA
2	Franklin Mint	29,683	17,497	69.6	25.9
3	Sony Corp.	18,243	15,502	17.7	14.5
4	Philip Morris Cos.	16,868	10,982	53.6	0.8
5	General Motors Corp.	12,233	7,789	57.1	0.9
6	Loews Corp.	10,908	3,861	182.5	8.8
7	Hallmark Cards	9,659	2,523	282.8	8.1
8	Bertelsmann AG	8,902	8,040	10.7	NA
9	American Brands	8,829	1,068	726.7	5.2
10	Primerica Corp.	8,052	7,967	1.1	NA
11	Hamilton Collection	6,945	6,413	8.3	NA
12	Nutrition Headquarters	6,091	5,944	2.5	NA
13	American Telephone & Telegraph	5,139	6,691	(23.2)	0.9
14	Weekend Shopper	5,126	4,101	25.0	NA
15	Revlon Group	5,109	2,013	153.8	2.9
16	Commtron	4,843	9,484	(48.9)	NA
17	Brown-Forman Co.	4,683	3,516	33.2	NA
18	Estee Lauder Inc.	4,391	3,999	9.8	NA
19	Prudential Insurance Co. of Am	4,351	3,464	25.6	NA
20	Lady Royale	4,309	NA	NA	NA
21	Neutrogena Corp.	4,282	3,237	32.3	NA
22	RJR Nabisco	4,153	12,518	(66.8)	0.5
23	Drake Walter & Sons	3,360	3,834	(12.4)	NA
24	Nestle SA	3,319	2,296	44.6	0.6
25	Sara Lee Corp.	3,199	1,895	68.9	1.0

Note: Dollars are in thousands. **Source:** Leading National Advertisers.

AA chart: Kevin Brown

Brands/services by agency of record:
Vlasic foods
Ad agency: W.B. Doner & Co., Southfield, Mich.: Richard J. Friday, sr vp-group mgmt super; Steve LaGattura, exec vp-creative; Ed Boasberg, Liz Conlin, acct supers.

Pepperidge Farm
Norwalk, Conn.
Corporate personnel: R.A. Shea, president.
Marketing personnel: D.L. Albright, vp-mktg, genl mgr-biscuit; C.V. McCarthy, vp-genl mgr, bakery; P.J. Callaghan, mktg dir, bakery; C.W. Rydin, vp-genl mgr, frozen; E.A. Anderson, mktg dir, frozen; B.L. Gustaitis, vp-genl mgr, food service; C.E. Woodward, mktg dir, food service; E. Brothers, genl mgr, mail order; J.E. Tierney, vp-corp relations.
Brands/services by agency of record:
Pepperidge Farm
Ad agency: Ogilvy & Mather, New York: Linda Cornelius, sr vp-group dir.

Domsea Farms
Pocatello, Idaho
Corporate personnel: C.M. Monaghan, genl mgr.; Edward Brauner, operations mgr.

Mrs. Paul's Kitchens
Philadelphia
Corporate personnel: S.A. McNeil, president.
Marketing personnel: R.R. Schnorbus, exec vp; G.W. Piszek, sr vp-sales & devel; D.E. Lynn, vp-mktg; R.J. Johnston, W.J. Tullis, Anne Sakalay, mktg mgrs; R.J. Davis, D.W. Haines, Vicki Baker, prod mgrs.
Brands/services by agency of record:
Domsea Farms
Mrs. Paul's Kitchens
Ad agency: DDB Needham Worldwide, New York: Leo J. Mamorsky, sr vp; Lisa Baker, acct exec; William (Hank) Armstrong, asst acct exec.

Campbell World Trading Co.
Camden, N.J.
Corporate personnel: N.F. Barnes, president & genl mgr.
Marketing personnel: Jeanne Blauner, dir-mktg.
Brands/services by agency of record:
Campbell World Trading Co.
Ad agency: Margeotes/Fertitta & Weiss, New York: George Fertitta, president.

RANK
41

Campeau Corp.

Toronto
ADVERTISING: **$260.5 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	8,668	3,530	145.6
Earnings	(34)	(196)	NA
■ U.S.	1988	1987	% chg
Sales	8,489	3,349	153.8
Operating income	774	337	129.7
■ Division sales	1988	1987	% chg
Department stores	6,220	2,741	126.9
Specialty stores	326	522	(37.5)
Supermarkets	1,842	NA	NA
Rental	214	220	(2.7)
Real estate sales	66	47	40.4

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	2,119	3,326	(36.3)
Newsp supp	358	310	15.5
Newspaper	124,488	134,833	(7.7)
Outdoor	20	197	(89.6)
Spot TV	17,590	20,383	(13.7)
Spot radio	3,891	2,865	35.8
Measured	148,467	161,916	(8.3)
Unmeasured	112,000	122,000	(8.2)
Total	260,467	283,916	(8.3)

Campeau Corp., saddled with heavy short-term debt related to its $6.6 billion buyout in 1988 of Federated Department Stores, has taken draconian measures to reduce debt by putting its crown jewel, Bloomingdales, up for sale this month.

The company's big Federated Department Store unit initiated a cost-cutting program this year that includes lower ad expenses. Campeau achieved economies by merging its Federated and Allied divisions to coordinate warehousing and distribution facilities, electronic data and credit processing, store design and construction and certain merchandise purchasing. Federated also is converting to a more incentive-based compensation for its personnel.

Bloomingdale's, which operates 17 department stores in 10 states, recorded a 3.5% increase in fiscal 1988 sales to $1.19 billion, which represented 13.7% of Campeau's total revenues. Analysts believe the operation could draw bids from $1.1 billion to $1.6 billion, including one from it Chairman-CEO Marvin S. Traub.

Bloomingdale's had been conceived as the hook for future Campeau growth. Campeau in joint venture with Edward J. DeBartolo Corp. had planned to develop new shopping centers and expand and renovate existing ones using Bloomingdale's as the anchor. Slow growth in retail sales this past year has left Campeau cash-flow poor.

A report that another Campeau chain, Lazarus, was cutting its ad spending by a third as a result of Campeau's directives was denied by Ralph Holt, divisional VP and director of advertising and analysis for the Lazarus. As it was, media spending at Lazarus in 1988 dropped 8.1% to $7.9 million, according to LNA/Arbitron. Lazarus has changed its ad strategy, though, replacing heavy use of direct mail with weekly newspaper inserts.

Federated, which now has five divisions, operated 14 pre-merger general merchandise divisions. The sale of its Foley's, Filene's, Bullock's/Bullock's Wilshire and I. Magnin divisions was part of the acquisition agreement.

Campeau also divested four Federated divisions that did not fit into its "focused department store strategy," including MainStreet, Filene's Basement, The Children's Place and Gold Circle. Ralph's, Federated's supermarket operation, was recapitalized and spun off into a separate subsidiary wholly-owned by Campeau.

The remaining divisions include:

Abraham & Straus, which operates 15 department stores in the New York area, had net sales of $721.1 million in fiscal 1988 (ended January 1989), down 2.9%. Measured ad spending was $25.1 million, down 4.2%, according to LNA/Arbitron.

Burdine's, which has 28 department stores and two clearance centers in Florida, totaled sales of $835.4 million, up 1.2%. Media ad spending at Burdine's was $14.7 million, up 8.1%, according to LNA/Arbitron.

The Lazarus division, with 43 stores in Ohio, Indiana, Kentucky, West Virginia and Michigan, had sales of $945.7 million, up 0.9%.

Rich's, which now includes 20 Rich's stores in Georgia, Alabama and South Carolina and six Goldsmith locations in the Memphis area, had sales of $850.5 million, down 1.4%. Media spending was $22.9 million, up 8%.

Bloomingdale's media advertising totaled $30 million, down 19.8%.

CAMPEAU CORP.
40 King St., West
Toronto, Ontario M5H3Y8
(416) 868-6460

Federated Department Stores
7 West Seventh St.
Cincinnati, Ohio 45202
(513) 579-7000
Abraham & Straus
Brooklyn, N.Y.

Marketing personnel: Anthony Veziris, exec vp-mktg; Francesco Cantarella, sr vp-customer relations; Steven Cohen, vp-creative dir; Nancy Ryan, vp-broadcast.
Brands/services by agency of record:
Abraham & Straus
Ad agency: Martino & Co., New York: Richard Martino, president; Susan Gronich, vp-admin; Cathy Hart, Gary Wuertenberger, acct supers; Shelly White, art dir; Jeff Urban, production mgr.

Bloomingdale's
New York
Marketing personnel: Gordon Cooke, exec vp-sales promo; Francey Smith, vp-mktg; John Jay, sr vp-creative dir; Meraed Smith, publicity dir.
Brands/services by agency of record:
Bloomingdale's
Ad agency: (In-house): John Jay, sr vp-creative dir.

■

Broadcast adv
Ad agency: Grey Advertising, New York: Herb Lieberman, exec vp; Susan Marber, group mgmt super; Nina Kessler, acct super; Kim Racz, acct exec.

Burdine's
Miami
Marketing personnel: Carey Watson, sr vp-mktg; Linda Frankel, vp-adv; Jorge Lopez, operating vp-adv admin & production; Jane Smiley, operating vp-special events & publicity.
Brands/services by agency of record:
Burdine's
Ad agency: (In-house): Jorge Lopez, operating vp-adv admin & production.

Lazarus
Cincinnati
Marketing personnel: Timothy Worcester, sr vp-mktg & sales promo; Herbert Frager, div vp, graphics dir; Ralph Holt, div vp, dir-adv & analysis.
Brands/services by agency of record:
Lazarus
Ad agency: (In-house): Ralph Holt, div vp, dir-adv & analysis.

Rich's
Atlanta
Marketing personnel: Donald Van Suilichem, sr vp-mktg dir; Alma Freedman, div vp, adv dir; John Thomas, vp-creative dir.
Brands/services by agency of record:
Rich's
Ad agency: (In-house): Alma Freedman, div vp, adv dir.

■

Broadcast adv
Ad agency: Babbit & Reiman, Atlanta: Tod Martin, dir-mkt planning; Pat Hanlon, creative dir; Mary Lockwood, acct exec.

RANK
61

Carter Hawley Hale Stores

Los Angeles
ADVERTISING: **$159.8 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	2,617	2,869	(8.8)
Earnings	18	(179)	(109.9)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	253	327	(22.9)
Newsp supp	300	307	(2.3)
Newspaper	75,554	52,353	44.3
Outdoor	1	111	(99.3)
Spot TV	10,513	12,583	(16.5)
Spot radio	1,298	940	38.0
Measured	87,917	66,621	32.0
Unmeasured	71,900	54,500	31.9
Total	159,817	121,121	31.9

Carter Hawley Hale, which split into two separate companies in 1987, built back its advertising budget in 1988 after paring it to the bone during reorganization.

Company documents show media spending of $71.8 million for its fiscal year ended July 30, 1988, a dramatic comeback in spending from $32.5 million in fiscal 1987—the low point in its spending since the early 1980s.

This nadir in advertising spending occurred duringa period in which Carter Hawley Hale beat back the second takeover attempt in two years by The Limited and also sold off its specialty store division.

CHH's estimated media spending in 1988 of $87.9 million for this report is based on calendar 1988 as monitored by LNA/Arbitron.

When the specialty store operations—Neiman-Marcus, Bergdorf Goodman and Contempo Casuals—went public, 60% of its shares were taken by General Cinema Corp. which by then had collected 49% of CHH to keep it from The Limited. The stores now fall under the Neiman-Marcus Group name.

Carter Hawley Hale, which continues to operate 113 stores in five divisions—The Broadway-Southern California, The Broadway-Southwest, Emporium Capwell, Thalhimers and Weinstock's—is focusing its efforts on remodeling existing locations.

Some 60% of the company's capital budget is being spent on remodelings, estimates William Dombrowski, VP-corporate affairs. Work was completed on 14 stores during the last fiscal year and plans call for improving eight to 10 more stores this year.

A new Thalhimers was opened in Charlotte, N.C., last summer. The Broadway-Southern California, which has opened three new stores since 1985, will enter the Santa Barbara market next summer. The Broadway Southwest will open three new stores in the Phoenix area in the next two to four years.

The two big store operations, Broadway and Emporium Capwell, have shown strong ad growth the past year. Broadway Department Stores spent an estimated $56.3 million on advertising in calendar 1988, up 7.9%. Virtually all was in newspapers.

Emporium Capwell spent $27.3 million in measured advertising, up from only $9.8 million in 1987, according to LNA/Arbitron.

In the third quarter of fiscal 1989, Carter Hawley Hale Stores reported sales of $595.4 million, an increase of 9%. On a comparative store-to-store basis, sales were up 8% for the quarter, giving the company its highest increase in four years.

CARTER HAWLEY HALE STORES
550 S. Flower St.
Los Angeles, Calif. 90071
(213) 620-0510

The Broadway-Southern Calif.
Los Angeles
Marketing personnel: Josephine Lawley, sr vp-mktg & sales promo.
Brands/services by agency of record:
The Broadway-Southern Calif.
Ad agency: (In-house): Josephine Lawley, sr vp-mktg & sales promo.

The Broadway-Southwest
Phoenix
Marketing personnel: Walter Knowles, div vp-adv dir; Barbara Bailey, sr vp-mktg & sales promo; Karie Fairrally, special events/fashion publicity dir.
Brands/services by agency of record:
The Broadway-Southwest
Ad agency: (In-house): Walter Knowles, div vp-adv dir.

■

Broadcast media placement
Ad agency: Sachs, Finlay & Co., Los Angeles: Barbara Schwecke, acct super; Bill Verton, media dir.

Emporium Capwell
San Francisco
Marketing personnel: Marsha McLain, div vp-adv; Alice McNaughton, vp-sales promo; Maryanna Howard, div vp-creative dir; Kim Hughes, mktg mgr.
Brands/services by agency of record:
Emporium Capwell
Ad agency: (In-house): Marsha McLain, div vp-adv.

Thalhimers
Richmond, Va.
Marketing personnel: Betty Bauder, sr vp-sales promo; Charlotte Ford, div vp-adv dir.
Brands/services by agency of record:
Thalhimers
Ad agency: (In-house): Charlotte Ford, div vp-adv dir.

■

Broadcast adv
Ad agency: Finnegan & Agee, Richmond, Va.: Tim Finnegan, chmn-mgmt super; Lisa Finnegan, sr acct exec; Ed Jones, vp-creative dir.

Weinstock's
Sacramento, Calif.
Marketing personnel: Lisa Stanley, sr vp-sales promo; Monica Lang, div vp-adv dir; Douglas Bouland, div vp-creative dir.
Brands/services by agency of record:
Weinstock's
Ad agency: (In-house): Monica Lang, div vp-adv dir.

RANK
18

Chrysler Corp.

Highland Park, Mich.
ADVERTISING: **$474.0 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	35,473	29,258	21.2
Earnings	1,050	1,290	(18.6)
■ U.S.	1988	1987	% chg
Sales	31,363	26,411	18.7
Operating income	1,334	1,884	(29.2)
■ Division sales	1988	1987	% chg
Car & truck	30,650	25,319	21.1
Financial svcs	3,525	2,908	21.2
Aerospace, electronics	1,316	972	35.4

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	104,527	100,433	4.1
Newsp supp	2,051	4,586	(55.4)
Newspaper	11,653	33,177	(64.9)
Outdoor	940	1,376	(31.7)
Network TV	163,021	151,589	7.6
Spot TV	45,535	45,300	0.5
Synd TV	891	3,239	(72.5)
Network cable	9,700	6,684	45.1
Network Radio	11,193	4,874	129.7
Spot radio	19,412	17,345	11.9
Farm pub	786	608	29.3
Measured	369,709	369,200	0.1
Unmeasured	104,300	104,100	0.2
Total	474,009	473,300	0.1

Chrysler Corp., whose U.S. market share continued to rise in 1988, is seeking to broaden its base by signing pacts with several international automakers to market their cars in the U.S., and for the first time since the 1970s, established a market for its North American vehicles in Europe.

Chrysler's automotive subsidiary, Chrysler Motors, signed a joint marketing agreement in 1988 with Italian automaker Alfa Romeo to sell Alfa Romeo cars in the U.S. Then in early 1989 it announced it would market in the early 1990s vehicles made jointly with Renault and Hyundai. The Renault deal will put a sports utility vehicle produced in both the U.S.

and Europe in the European market by 1992.

Chrysler also scaled down its involvement with Maserati after repeated delays in the launch of the Maserati-built Chrysler TC. Chrysler has reduced its purchases of TCs and waived its option to build its ownership in Maserati beyond its current 18%.

The company entered the rental car business in May 1989 when it purchased Thrifty Rent-A-Car, the nation's fifth largest car rental company. In 1988, Chrysler sold 25% of its cars to such rental-car fleets. While margins are lower with such sales, the unit volume keeps the factories open.

As part of a drive to sharpen brand image, Chrysler instituted a new approval process for its advertising whereby top-level management gets involved earlier in development of the creative.

Chrysler is considering a centralized media buying unit at one of its three agencies and a new agency compensation system, both targets of cost-cutting that may extend also to media expenditures and sports merchandising.

During 1988, Chrysler sold 1,191,294 cars in the U.S., up 8.7%, for a market share of 11.25% compared with 10.72% the prior year. Among its divisions, Dodge provided the strongest volume growth. Some 508,308 Dodge brand cars, led by the Aries, were sold, up 25%, and pushed the brand to 4.80% of the car market from 3.97%.

Chrysler's U.S. truck share, excluding Jeeps, rose to 15.67% from 15.17% of the light-truck market based on sales of 763,309 Dodge trucks and Plymouth/Dodge minivans. Jeep sales of 253,454 units, up 21.6%, gave the line a 5.20% share of the same market, up from 4.46%.

Chrysler introduced the Plymouth Laser in January 1989 and its sister car, the Eagle Talon, in July 1989. Both cars, along with the other sister car, the Mitsubishi Eclipse, were built at Chrysler and Mitsubishi's joint venture Diamond-Star factory in Bloomington/Normal, Ill.

The 1990 model year will bring new luxury cars—the Chrysler Y-body New Yorker Fifth Avenue, Chrysler Imperial and the Chrysler A-body LeBaron. Also coming at mid-year is the Dodge Shadow convertible and the Dodge Monaco, the sister car to the Eagle Premier.

In 1989 model year advertising, Dodge changed its tagline to "The new spirit of Dodge" to emphasize the division's new K-car replacement, the Dodge Spirit. The Spirit was introduced during the Super Bowl telecast.

Chrysler continued to use its "Driving to be the best" themeline and spokesman Riccardo Montalban. The spots continued to tout Chrysler's "Crystal Key" warranty policy on its luxury cars.

Eagle continued to use its themelines "The Next Step" and "Expect the best" as it built its image with new products such as the Eagle Summit and monochromatic Premier ES.

Jeep continued its "Only in a Jeep" theme and also signed an agreement with clothing manufacturer Murjani International in September 1988, to market Jeep clothing and sporting goods through Jeep Gear stores and other upscale retailers.

Chrysler again turned to its favorite spokesman, Chairman Lee Iacocca, for corporate advertising. Last fall, he touted the "The Car Buyers Bill of Rights," pitching everything from safety to customer satisfaction.

To facilitate change of leadership when Mr. Iacocca retires in December 1991, Chrysler set up a two-person office of the chairman built around him and Gerald Greenwald, vice chairman.

CHRYSLER CORP.
P.O. Box 1919
Detroit, Mich. 48288-1919
(313) 956-5741

Marketing personnel: Bennett E. Bidwell, chmn; Laurel Cutler, vp-consumer affairs; Joseph E. Cappy, vp, Jeep-Eagle; Joseph Campana, vp, Chrysler-Plymouth; John B. Damoose, vp, Dodge car & truck div; Arthur C. Liebler, exec dir-corp comm & mktg svcs; Ralph A. Sarotte, genl mktg mgr, Eagle; Martin L. Levine, genl mktg mgr, Jeep; Charles B. Kitz, genl mktg mgr, Dodge car; Larry Baker, genl mktg mgr, Dodge truck; Clark Vitulli, genl mktg mgr, Chrysler; Michael Howe, genl mktg mgr, Plymouth.

Brands/services by agency of record:

Dodge car & truck

Ad agency: BBDO, Southfield, Mich.: William Kelly, president-ceo; Michael Graham, vp-mgmt super, truck; Gene McCarthy, sr vp-exec media dir; Tom Newman, sr vp, dir-planning & rsch; William Oswald, sr vp-car & truck; John Hammond, sr vp-car; David Jones, sr vp-mgmt, Dodge Dealer Assn; Dave Harrelson, vp-operations mgr; Doug Rick, vp-prod info mgr; Mike McClure, assoc creative dir, Dealer Advantage Assn svcs; Dennis Goschka, vp-corp legal counsel; Gordon Berg, Michael Gonyea, vps-acct supers; Marc Caroselli, Tim Miller, acct supers; John Schram, Barb Resnicoff, Brian Juergens, William Freed, Rich Babich, Michelle White, sr acct execs; Dan Hutzell, Mike Suchara, acct execs.

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Corp adv
Chrysler-Plymouth

Ad agency: Bozell Inc., Birmingham, Mich.: Leo Arthur Kelmenson, chmn-exec committee; Charles D. Peebler Jr., ceo, NY; David Bell, president; Ron DeLuca, vice chmn; Calvin Mew, sr vp, dir-strategic mkt svcs; George Beech, exec vp-genl mgr; Bruce Andrews, sr vp-assoc genl mgr; Alan Levenstein, exec vp-mktg; Mert Simons, legal counsel; Kathleen Corrigan, dir-adv clearance, coord legal adv clearance, NY; Phil Matz, sr vp-media dir; Elton Kruger, sr vp, dir-planning; Phil Floyd, assoc media dir; Dave Bean, media planner; Steve Larson, asst planner; Ken Duskin, exec vp-creative dir; Phil Reuschle, sr vp, dir-forward planning, Detroit; Brian Palmer, sr vp-mgmt super, Plymouth; Bob Lytle, vp-acct super, corp; Chuck Russo, vp-acct super, Chrysler; Bill Shea, sr vp-mgmt super, Chrysler corp svc; Ted Stacy, vp-acct super, Plymouth; Jim Fisher, acct exec, corp; John Gianakis, sr acct exec, Plymouth; Lynn Vernon, sr vp-mgmt super, Chrysler; Nancy Sparrer, sr acct exec, Chrysler; Jerry Strabbing, acct exec, Chrysler.

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Jeep-Eagle

Ad agency: Campbell-Mithun-Esty, Southfield, Mich.: David C. Welch, chmn-ceo; Eagle group: David Van Peursem, exec vp-mgmt dir, Eagle: Tom Deska, vp-mgmt super, Eagle; William [illegible]usch, acct super, Eagle; Tom Luke, vp, dir-consumer perspectives. Jeep group: Thomas Bernardin, sr vp-mgmt dir; Scott Thornton, vp-mgmt super; Jean Malley, acct super; Mike Belitsos, exec vp-chief creative officer; Gary Topolewski, vp-assoc creative dir, copywriter; Frank Brugos, vp-assoc creative dir, art; Todd MacIntosh, Steve Goldsworthy, Charles Glass, vps-creative supers; Robert Zak, vp-creative dir; Colette Bukowicz, deputy creative dir; Tom Thompson, vp-exec art dir; Chuck Meeker, creative super, art; Mike Vogel, exec vp, media; Walter Dum[illegible] mgt super, mktg svcs; Lynn Mille[illegible] media; William Wilcox, acct su[illegible]dia; Carl Chakmakian, acct super, [illegible] John Gibson, acct super, Product [illegible]

[illegible]y adv

Ad agency: Lockh[illegible] Petus, New York: Keith Lockhart, president.

■

Corp merch, sales promotion & training
Chrysler Credit Corp.
Chrysler Fleet Operations
Chrysler Service & Parts Operations

Ad agency: Ross Roy Inc., Bloomfield Hills, Mich.: Glen W. Fortinberry, chmn-ceo; Joseph G. Schulte, exec vp-automotive adv; Richard C. Ward, exec vp-genl mgr, RR Communications; Joseph M. McNeil, exec vp-exec creative dir; R. John Oliver, sr vp-genl mgr, RR Productions; Donald C. Scheich, Rex B. Smith, James V. Vehko, Michael P. Webster, sr vps-mgmt supers; Michael L. Labiak, sr vp, dir-creative scvs; Sidney P. Houghton, sr vp-group creative dir; Albert H. Acker, sr vp-creative dir; David G. Garfield, sr vp, dir-rsch; Rick G. Betker, William S. Rowe, John L. Sych, vps-group acct supers; Donald F. Baldwin, Abby B. Blay, Arnold D. Burke, Julia Francke, Thomas W. Kemper, Michael A. Pinckes, Gary L. Ruetenik, Alain L. Thiry, vps-acct supers; Albert J. Hanna, Larry E. McMurtry, J. Richard Yocum, vps-group creative dirs; Roberta Beaudet, vp-exec producer; Charles F. Gegenheimer, vp, dir-consumer productions; Judith Toundas, vp-genl mgr, Incentives; William J. Abele, Rollin E. Gish, Robert T. Nowak, Clark L. Reid, vps, RR Productions.

RANK
91

Citicorp

New York
ADVERTISING: $118.4 MILLION

Sales & earnings

($ in millions)

Worldwide	1988	1987	% chg
Sales	13,018	12,353	5.4
Earnings	1,858	(1,182)	(257.2)
U.S.	**1988**	**1987**	**% chg**
Sales	7,943	8,055	(1.4)
Operating income	914	1,150	(20.5)
Division sales	**1988**	**1987**	**%chg**
Net interest revenue	7,605	6,337	20.0
Fees, commissions, other	5,413	6,016	(10.0)

U.S. advertising by media

($ in thousands)

Media	1988	1987	%chg
Magazine	12,623	10,629	18.8
Newsp supp	114	251	(54.5)
Newspaper	10,232	22,801	(55.1)
Outdoor	65	286	(77.2)
Network TV	26,459	13,744	92.5
Spot TV	29,861	14,280	109.1
Synd TV	137	49	180.3
Network cable	1,780	395	350.5
Network Radio	0	1,931	NA
Spot radio	2,590	3,023	(14.3)
Measured	83,862	67,389	24.4
Unmeasured	34,500	27,700	24.5
Total	118,362	95,089	24.5

Citicorp has a simple goal as banking deregulation goes into full force in the 1990s. It wants to become the world's first global consumer bank, the McDonald's Corp. of banking.

Citicorp has taken a first step by forming a national marketing unit, based in Chicago, to take over some of the marketing functions of its regional banks. It has selected Foote, Cone & Belding to handle its national marketing assignment and boosted its advertising more than 24%.

That assignment is to "present one face to the public across the country," says William Ahearn, VP-public affairs. This might mean an introduction nationwide of its CitiOne account, a combined checking, savings and credit card service, and an automated teller system, mutual funds and annuity products.

Experts caution the marketing strategy may not be easy to achieve, noting intense local competition may be tough for centralized management.

Senior Citicorp officials expect the company's consumer bank to earn $1 billion in 1993, up from $540 million in 1987. Consumer banking now accounts for 46% of Citicorp's earnings and that should soon grow to 70%.

Citicorp serves 8 million households in 40 foreign nations and plans to up that to 16 million in five years. In Europe, Citicorp's biggest successes have resulted from competition on service, giving customers a perception of the bank's "friendliness" instead of a "hat in hand" attitude.

Some critics caution its overseas expansion may be too rapid, especially in light of political risks in nations such as China and Panama.

Citicorp's media mix is changing to reflect a more McDonald's-like concentration on TV. Spending on TV has more than doubled to $56.4 million in 1988, divided almost equally between network and spot. Ad monies were slashed, however, from newspaper and spot radio budgets.

Corporate image campaigns, by N W Ayer, New York with the slogan "Americans want to succeed, not just survive," also doubled to $34 million. Spending for its MasterCard and Visa has jumped 127% to $29.1 million.

Citicorp, with 23.1 million MasterCard and Visa cards in use, recorded $23 billion in purchase sales. Citicorp and Citibank credit cards account for more than 12% of the bankcard market, the largest share in the U.S.

CITICORP
399 Park Ave.
New York, N.Y. 10043
(212) 559-1000

Marketing Personnel: Robert Previdi, dir-natl corp adv & mktg; Dave Henderson, dir-adv, Citibank retail; Mary Ann Eger, dir-adv, Citicorp Natl; Matt Kissner, dir-mktg, Citibank retail.

Brands/services by agency of record:

Diners Club Card US
Carte Blanche Card
Citicorp travelers checks

Ad agency: Foote, Cone & Belding Communications, Chicago: James Cerasani, vp-group acct dir; Diane Peterson, vp-mng dir; Peter Curran, acct exec.

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Diners Club Intl
Mid-Atlantic Community Bank
Citicorp Savings of Florida
Northeast Exchange
Citibank Worldwide Personal Banking
Citicorp Mortgage
Focus
Bankcard Cross Sell

Ad agency: FCB/LKP Integrated Communications Group, New York: Jon Adams, president-worldwide acct dir; Connie O'Brien, sr vp-mgmt dir; Katherine Chiles, Roberta Weinstein, vps-mgmt-dirs; Mary Conway, Sally Wosnik, Joan Levine, acct dirs; Jill Rundle, acct exec; Alicia Drummey, Lauren Searby, asst acct execs.

■

Citibank Better Bank Card

Ad agency: Lowe Marschalk, New York: Dan O'Donnell, mgmt super; Erica Mann, acct super; Stacey Wike, Mark Payne, acct execs.

■

Citicorp corp campaign
Citibank

Ad agency: N W Ayer, New York: Howard Stoner, Anita Stewart, mgmt supers; Geoffrey Sands, Jeff Bonasia, Rich Donohoe, acct supers; Nathan Archibald, sr acct exec.

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Citicorp Savings of California
Citibank Arizona
Citibank Utah
Citibank Nevada

Ad agency: FCB/San Francisco: John Loden, sr vp-group mgmt super; Tom Seclow, acct super; Dominic Whittles, acct exec.

■

Ready Credit
Other assignments

Ad agency: FCB Direct/San Francisco: Mati Otsmaa, sr vp-genl mgr; Heidi Oestrike, acct super.

RANK
66

Clorox Co.

Oakland, Calif.
ADVERTISING: $148.3 MILLION

Sales & earnings

($ in millions)

Worldwide	1988	1987	% chg
Sales	1,260	1,126	11.9
Earnings	133	105	26.4
Division sales	**1988**	**1987**	**% chg**
Household, grocery	1,153	1,022	12.8
Architectural coatings	107	104	3.0

U.S. advertising by media

($in thousands)

Media	1988	1987	% chg
Magazine	10,292	8,929	15.3
Newsp supp	1,234	936	31.9
Newspaper	3,987	404	888.0
Outdoor	2	14	(85.4)
Network TV	51,374	40,123	28.0
Spot TV	21,429	14,670	46.1
Synd TV	9,278	8,835	5.0
Network cable	10,126	6,894	46.9
Network Radio	3,195	0	NA
Spot radio	234	983	(76.2)
Measured	111,151	81,788	35.9
Unmeasured	37,100	27,300	35.9
Total	148,251	109,088	35.9

Clorox Co. is scuttling its unsuccessful diversification into paint and now will refocus its attention on the grocery store.

The company early this year added a lemon-scented liquid bleach to its mainstay business, helping to turn back a Procter & Gamble bleach entry. P&G gave up on its own liquid bleach (Lemon Fresh Comet liquid bleach) this spring following a 1988 test, securing Clorox's hold on the bleach market at a 62% share.

At the same time, Clorox gave the brush off to its paint and stain business eight years after beginning an unproductive diversification. It put its Olympic wood stain and Lucite house paint business up for sale in June 1989. The business was only marginally profitable in recent years.

Measured spending on Clorox liquid bleaches and its two color-safe companions, Clorox 2 dry bleach and Clorox 2 liquid bleach, reached $35.9 million, up 47% from 1987 representing one-third of Clorox's total 1988 media budget, according to LNA/Arbitron.

The company has moved its Clorox bleach-enriched detergent into 45% of the country, with most of the $3.9 million expenditure for the new product in spot TV. Heavy promotional expenditures also were required to combat a tidal wave of activity from P&G. P&G—which spun off Clorox under antitrust decree 20 years ago—blunted the company's move into detergents by sending Tide With Bleach into national distribution January 1989.

Clorox went national with a bleach version of Soft Scrub soft-abrasive cleanser following testing in early 1988. Clorox supported the Soft Scrub line with $11.2 million in media, up 67%.

This past summer the company began testing Clorox Clean-Up, a general-purpose liquid cleaner that mixes bleach with detergent.

Capitalizing on its dominant position in charcoal briquettes, where it markets Kingsford and Match Light, Clorox last spring launched nationally Kingsford BBQ Bag, a 10-pound bag of charcoal that can be tossed onto the grill. It also put the Kingsford name on charcoal lighter. Measured spending for Kingsford and Match Light dropped 12.4% to $7.8 million.

While most of Clorox's additions were cleaning products, the company extended its Hidden Valley Ranch salad dressing line with bottled Ranch Italian. Measured spending on Hidden Valley Ranch dressings and mixes totaled $16.2 million, up 43.4%.

Spending on Tilex tile cleaner reached $5.3 million, up 47%. Liquid-plumr received $4.9 million, up 16.6%. Formula 409 all-purpose cleaner was backed with $4.7 million, down 14.5%.

Clorox had a run-in last July with the Christian Leaders for Responsible Television, an advocacy group against sex, violence and profanity in TV. It hit Clorox and Mennen Co. with a one-year boycott for its sponsorship of several "offending" prime-time TV shows.

Clorox tightened its broadcast sponsorship standards early in 1989. After reviewing the programs cited by the boycott group, Clorox concurred that two episodes of "Miami Vice" in retrospect didn't meet its standards because of their violence.

Clorox said it would be more careful in reviewing shows. But the company did not alter its broadcast standards. Clorox contends its standards are acceptable to the "great majority" of TV viewers.

John W. Collins will take early retirement the end of this year as president-COO, a post he took in 1986.

CLOROX CO.
1221 Broadway
Oakland, Calif. 94612
(415) 271-7000

Corporate personnel: C.R. Weaver, chmn-ceo; John W. Collins, president-coo; Robert Bolingbroke, Craig Sullivan, group vps.

Marketing personnel: Don Murray, vp, household prods; Jack Robertson, adv mgr, household prods; A.W. Biebl, vp, Kingsford prods; Janet Brady, adv mgr, Kingsford prods; Robert Klaus, genl mgr, food service prods; K.S. Koelman, dir-mktg, food service prods; Robert Dias, vp-intl; R.C. Richter, vp, Olympic Home Care prods; R.C. Anton, dir-mktg, Olympic/Lucite; R.H. Bolte, dir-media operations; David L. Goodman, vp-public affairs & mktg svcs.

Brands/services by agency of record:

Clorox bleach
Clorox Fresh Scent
Lemon Fresh Clorox
Clorox 2
Liquid Clorox 2
Formula 409
Tackle
Tilex
New prods

Ad agency: Foote, Cone & Belding, San Francisco: John Loden, mgmt super.

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Clorox Pre-Wash
Liquid-plumr
Soft Scrub
Soft Scrub with bleach
Clorox Detergent
Kingsford charcoal
Kingsford BBQ Bag
Match light

Ad agency: DDB Needham Worldwide, Chicago: Colby Kerr, vp-group acct dir.

■

Fresh Step
Litter Green
Hidden Valley Ranch dry salad dressing
Hidden Valley Ranch bottled dressing
Olympic paints & stains
Lucite paints
K.C. Masterpiece
Brita Water Filter System
New prods

Ad agency: Young & Rubicam, San Francisco: Craig Branigan, genl mgr.

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Hidden Valley Ranch
Domani Italian food prods-food service

Ad agency: Anderson/Rothstein, San Francisco: Kim Rothstein, exec vp.

■

Institutional/food service

Ad agency: Scott Advertising, Milwaukee: Charles E. Reynolds, president.

RANK
28

Coca-Cola Co.

Atlanta
ADVERTISING: $385.1 MILLION

Sales & earnings

($ in millions)

Worldwide	1988	1987	% chg
Sales	8,338	7,658	8.9
Earnings	1,045	916	14.0

Top 25 magazine advertisers

Rank	Advertiser	Magazine expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Philip Morris Cos.	$270,251	$271,178	(0.3)	13.1
2	General Motors Corp.	190,799	153,926	24.0	9.3
3	RJR Nabisco	131,463	105,674	24.4	6.4
4	Ford Motor Co.	125,532	125,529	0.0	6.1
5	Chrysler Corp.	104,527	100,433	4.1	5.1
6	Procter & Gamble Co.	79,279	79,501	(0.3)	3.9
7	American Telephone & Telegraph	66,193	76,270	(13.2)	3.2
8	Time Warner	64,989	53,029	22.6	3.2
9	Nestle SA	63,477	56,616	12.1	3.1
10	Grand Metropolitan PLC	59,545	54,948	8.4	2.9
11	Unilever NV	59,449	58,259	2.0	2.9
12	Franklin Mint	48,981	31,733	54.4	2.4
13	Honda Motor Co.	47,159	42,701	10.4	2.3
14	Bristol-Myers Squibb	43,616	40,154	8.6	2.1
15	Revlon Group	42,488	36,562	16.2	2.1
16	Sony Corp.	41,771	31,862	31.1	2.0
17	General Electric Co.	36,747	37,727	(2.6)	1.8
18	Schering-Plough Corp.	36,617	29,202	25.4	1.8
19	Toyota Motor Corp.	36,476	27,105	34.6	1.8
20	American Brands	35,888	38,545	(6.9)	1.7
21	Nissan Motor Co.	35,826	19,361	85.0	1.7
22	E.I. du Pont de Nemours & Co.	34,676	41,676	(16.8)	1.7
23	Sara Lee Corp.	34,107	24,268	40.5	1.7
24	U.S. Government	33,436	44,164	(24.3)	1.6
25	Sears, Roebuck & Co.	33,373	21,608	54.4	1.6

Note: Dollars are in thousands. **Source:** Leading National Advertisers.

AA chart: Kevin Brown

■ U.S.	1988	1987	% chg
Sales	3,684	3,459	6.5
Operating income	434	385	12.8

■ Division sales	1988	1987	% chg
Soft drinks, domestic	2,284	2,120	7.7
Soft drinks, int'l	4,504	4,109	9.6
Foods	1,512	1,414	6.9

U.S. advertising by media

($in thousands)

■ Media	1988	1987	% chg
Magazine	4,082	3,127	30.6
Newsp supp	407	35	1,050.8
Newspaper	9,504	5,160	84.2
Outdoor	2,538	2,029	25.1
Network TV	119,091	92,360	28.9
Spot TV	56,126	65,847	(14.8)
Synd TV	18,952	10,264	84.6
Network cable	4,509	8,056	(43.0)
Network Radio	409	561	(27.1)
Spot radio	15,286	13,051	17.1
Measured	230,985	200,490	15.2
Unmeasured	154,100	133,800	15.2
Total	385,085	334,290	15.2

Coca-Cola Co., which saw its market share lead over PepsiCo drop slightly in 1988, narrowed the focus of its beverage holdings and turned controls of Coca-Cola USA over to a marketing executive out to restore the pizzazz to Coke advertising.

Coca-Cola rose 0.1 market share points to 40% of the 7.5 billion case soft-drink market as Pepsi-Cola rose 0.4 market share points to 31.3%, according to *Beverage Industry*. Archrival PepsiCo also topped Coke's U.S. sales performance by recording a 6.1% gain compared to a 5% gain by Coca-Cola. The industry averaged a 4.5% gain.

U.S. ad spending at Coca-Cola remained flat in 1988, but should increase if newly-named Coca-Cola USA president, Ira Herbert, its former chief marketing officer, continues with the marketing fireworks Coca-Cola set off at the Super Bowl.

Coca-Cola provided football fans a 45-second commercial in 3-D. Prior to the game, Coca-Cola passed out 20 million pairs of 3-D glasses for home audiences to watch British pop star George Michael's first appearance in the cola wars. Coca-Cola Co. also pulled off exclusive sponsorships with both the National Basketball Assn. and Major League Baseball.

Advertising control also was brought back to the trenches in 1989 when Mr. Herbert placed ad controls in the hands of brand managers, a policy swept away in 1987. Coca-Cola has been building upon its strength in the diet segment, accounting for 44.3% of the market with Pepsi at 28.4%.

In a media blitz this year, Diet Coke, with 31.4% of the diet segment and 8.2% overall, was positioned against the flagship Pepsi brand to help further erode its No. 2 position, which fell from 18.6% to 18.3% in 1988.

Pepsi-Cola typically stands opposite Coke Classic and new Coke, which registered respective market shares of 20.1% and 1.3%. That 1988 performance represents an increase for Classic, up from 19.8% and a decline for new Coke, down from 1.7%.

Sprite mirrored its 1987 performance by claiming a 3.6% overall market share while chief competitor 7UP slipped to 3.1%.

Minute Maid held its lead in the $3 billion orange juice market with an estimated 22.1% share to Tropicana Products' 18.1% and P&G's Citrus Hill's 9.5%. The company added the Citrus Foodservice Division of H.P. Hood Inc., the primary supplier of orange juice to McDonald's Corp.

An estimated 14% of Coke's total measured advertising in 1988 went to Minute Maid beverages compared to 12% in 1987, according to LNA/Arbitron. This year, Coca-Cola served up a $50 million campaign in the growing ready-to-serve, chilled segment where Tropicana claims 27.5% market share vs. Minute Maid's 19.5%.

Coca-Cola narrowed its beverage lineup this year when its foods division in Houston dumped the bottled water, coffee, tea and cocoa operations. Coca-Cola Co. continued its acquisition of bottlers with the $500 million buyout of Coca-Cola Bottling Co. of Memphis, Tenn. and a 41% stake ($330 million) of AMATIL Ltd., Australia.

COCA-COLA CO.
P.O. Drawer 1734
Atlanta, Ga. 30301
(404) 676-2121

Coca-Cola USA

Corporate personnel: Ira C. Herbert, president-exec vp, Coca-Cola Co.

Marketing personnel: Michael A. Biendorff, vp-mktg planning; Donald B. Lelehan, dir, sugar cola brands; Daniel H. Sayre, dir, diet cola brands; Virginia R. Rockwell, dir, non-cola brands; Christopher J. Gagen, dir-media; James M. Patton, vp-mktg svcs; Charles E. Morrison, vp, black & Hispanic consumer mktg.

Coca-Cola Foods

Corporate personnel: H.E. Teasley Jr.; vp, Coca-Cola Co., president-ceo, foods business sector.

Marketing personnel: Pierre U. Ferrari, sr vp-mktg & planning, foods business sector; Richard M. Helmey, sr vp, food service; Mallory J. Campbell, vp-trade mktg; George G. Woody, vp-mktg.

Brands/services by agency of record:

Black adv, Coca-Cola USA

Ad agency: Burrell Advertising, Chicago: Tom Burrell, president; Sarah Burrough, sr vp-genl mgr; Neva Richardson, vp-acct super.

■

Hispanic adv, Coca-Cola USA

Ad agency: Castor GS&B Advertising, New York: Castor Fernandez, president; Carlos Delgado, media dir; Roberto Manzano, creative dir.

■

Sprite
Diet Sprite
Mr. Pibb
Fanta
Domestic adv
Minute Maid orange soda
Fresca
Mello Yello

Ad agency: Lowe Marschalk, New York: Andy Langer, ceo; Richard Villante, president; Eric Einhorn, exec vp; John Most, sr vp-mgmt

Young American

BEST COPY AVAILABLE

super.

■

Coca-Cola Classic
Caffeine-Free Coca-Cola
Cherry Coke
Diet Cherry Coke

Ad agency: McCann-Erickson, New York: John Donner, president; Gunnar Wilmot, sr vp-group dir; Bill Grogan, vp-acct super; Silvia McCarthy, acct super, Cherry Coke; Phil Shaw, acct super.

■

Diet Coke
Caffeine-Free Diet Coke

Ad agency: Lintas:New York: Stone Roberts, exec vp, chmn-strategic review board; Phil Crossland, exec vp; Becky Broers, vp-mgmt super; John Roberts, acct super; Robert Painter, acct exec.

RANK
33

Colgate-Palmolive Co.

New York
ADVERTISING: **$306.6 MILLION**

Sales & earnings

($ in millions)

Worldwide	**1988**	**1987**	**% chg**
Sales	4,734	4,366	8.4
Earnings	317	54	NA
U.S.	**1988**	**1987**	**% chg**
Sales	1,687	1,514	11.5
Operating income	68	84	(18.7)
Division sales	**1988**	**1987**	**% chg**
Household, persnl care	4,253	3,986	6.7
Specialty marketing	482	379	27.0

U.S. advertising by media

($ in thousands)

Media	**1988**	**1987**	**% chg**
Magazine	12,603	6,640	89.8
Newsp supp	462	411	12.4
Newspaper	5,811	1,671	247.7
Outdoor	1,344	4,311	160.5
Network TV	63,896	66,566	(4.0)
Spot TV	20,375	21,734	(6.3)
Synd TV	5,665	8,953	(36.7)
Network cable	858	342	151.3
Network Radio	286	197	45.5
Spot radio	1,223	749	63.3
Measured	112,524	107,266	4.9
Unmeasured	194,100	185,000	4.9
Total	306,624	292,266	4.9

Colgate-Palmolive Co. had mixed success in building U.S. market share in its big household-cleaning and personal-care businesses as it linked up joint ventures and bought heavily into these product areas overseas.

Colgate acquired Cotelle's bleach business in France; the Klorin group, a Scandinavian bleach marketer; and Gow Co.'s heavy-duty detergent business in Australia.

It reached agreement with American Home Products Corp. to market AHP's Woolite cold-water wash in selected countries, formed a venture with Clorox Co. to market its bleach in Asia and Mexico, and struck a deal to market Vipont Pharmaceutical's anti-plaque product line in Europe.

Financing much of the activity was the $960 million sale in September 1988 of Boston-based Kendall Co., marketer of disposable medical products and Curity brand bandages.

The company's three-year-old Colgate Venture Co. was disbanded. Two products—Handi-Wipes cleaning cloths and Fresh FeLiners catbox liners—were shifted to Colgate's Softsoap Enterprises subsidiary. Others were sold.

Colgate launched 173 new products on a worldwide basis in 1988. And according to Chairman-CEO Reuben Mark, new-product advertising and promotion kept pace, rising 9.76% to $236 million in 1988.

Colgate controls 42% of the $2.6 billion worldwide toothpaste market, and 33% of the $1 billion U.S. dentifrice category where Procter & Gamble (Crest) has a 36% share.

The company in mid-1989 broke a new series of ads for its $25 million "Wise Choice" toothpaste campaign featuring actor Pat Morita as the Colgate "Wisdom Tooth."

Colgate doubled its spending for mouthrinse in 1988 to $8.7 million in measured media. It claims a 5% share of the $550 million U.S. mouthwash category.

Colgate Junior fruit-flavored toothpaste was introduced in the U.S. in 1988, and this year was expanded into 10 countries. Colgate in late 1988 broke a $9 million campaign featuring the animated Colgate Junior Superstar that competes against P&G's Sparkle Crest for Kids.

New Colgate toothbrush lines were introduced into eight countries, including the U.S. Marketing emphasis was on the brush's diamond head design. The company backed the toothbrush line, which has a 14% world market share with more than $3.3 million in measured media spending in the U.S.

Under an agreement with Vipont Pharmaceutical, Fort Collins, Colo., Colgate will begin testing a new brand name, along with new advertising and marketing, for Vipont's Viadent antiplaque toothpaste and mouthrinse line in Europe.

Colgate's laundry detergents—Fab, Fresh Start and Dynamo—all suffered share erosion in 1988. The company's share of the $3 billion laundry detergent category slipped to 12.3% from 14% the previous year. Despite a $17 million measured media campaign to promote Fab 1 Shot, an all-in-one laundry/fabric softener, the brand managed only a 2% share. Colgate watchers believe the product is one of Colgate's biggest disappointments in 1988.

An advanced formula liquid Palmolive Automatic dishwasher detergent was introduced in August 1988, with a $15 million campaign themed "Once is all it takes." Before the campaign, Colgate's share of the $475 million category had fallen to 11.5%, but by mid-1989 had rebounded to 13%. In the $100 million liquid segment, Colgate is the No. 1 brand with a 43% share. P&G's Cascade liquid and powder automatic dishwasher detergents remain the overall category leader with a 52% share.

Palmolive is the company's leading global brand name in personal care, and Colgate has adopted an aggressive program to exploit the name. In 1988 and 1989 year-to-date, more than 50 new products bearing the Palmolive name were introduced worldwide. These include 20 new entries in the hair-care category. It is the world's No. 2 shampoo on a volume basis, the company said.

New Palmolive products for bathing and shaving are being introduced, as well as an expanding array of deodorants and toiletries. In the U.S., Palmolive Hypo-Allergenic soap is in West Coast test markets.

Colgate continues testing in Peoria, Ill., a line of analgesics, allergy, antacids and cough-cold remedies under the Colgate label. It is handling creative in-house; HDM, New York, is placing media.

A new Softsoap shower gel and anti-bacterial liquid soap were introduced in the U.S. in 1989 by Softsoap Enterprises, a 1987 acquisition. In April 1989, Softsoap introduced nationally the new Softpack refill package, which is based on packaging technology developed by Cotelle.

The new products are aimed at helping Softsoap regain share from Dial Corp.'s Dial anti-bacterial liquid soap. In May, Dial held a 17.25% share of the $200 million liquid soap category, while Softsoap held 13.5%. Softsoap was backed with $1.7 million in measured media spending in 1988, more than double the support in 1987.

Softsoap, which also markets Ajax Disposer Care, Fresh FeLiners and Sesame Street bath products, is working with agencies on a project basis.

In 1988, Hill's Pet Products introduced a "light" low-calorie version of Maintenance Diet for dogs and cats. Dry product line extensions for three Prescription Diet feline products were marketed in the last half of the year, rounding out the canned product line used by veterinarians.

COLGATE-PALMOLIVE CO.
300 Park Ave.
New York, N.Y. 10022
(212) 310-2000

Corporate personnel: Reuben Mark, chmn & president-ceo; William S. Shanahan, sr exec vp-coo; Roderick L. Turner, sr exec vp-chief of operations/specialty mktg; Robert M. Agate, exec vp-cfo; Silas M. Ford, exec vp, exec offices; William G. Cooling, exec vp-chief technological officer; Benjamin C. Davis, vp, human resources; Katharine R. Tarbox, vp, investor relations.

Household & Personal Care

Marketing personnel: Brian F. Bergin, president, Colgate-Europe; Lois D. Juliber, president, Colgate-Far East; David A. Metzler, president, Colgate-Latin America; Michael S. Roskothen, exec vp, Colgate-Europe; Edgar J. Field, group vp-int'l business develop; Craig B. Tate, vp, group head-global business devel; Thomas G. Davies, vp-fabric care, global business devel; James Figura, vp-consumer rsch & insight; Emilio Alvarey-Recio, vp- worldwide personal care prods; Javier Garcia Teruel, vp-body care, global business devel; Kathleen Thornhill, vp-oral care, global business devel; Clay S. Timon, vp-worldwide adv; Douglas R. Wright, vp-household surface care, global business devel.

Colgate U.S.

Marketing personnel: Edward T. Fogarty, president; Michael L. Hoye, exec vp-mktg & sales effectiveness; P. Gordon McArthur, exec vp-Colgate US; Ariel A. Allen, vp-creative svcs; Robert E. Blanchard, vp-genl mgr, home care div; David Bluestein, vp-genl mgr, laundry/body care div; Ralph A. Champlin, vp-sales; Douglas L. Meyer, vp-genl mgr, oral care div; Grace Richardson, vp-consumer affairs; Cyrill Siewert, vp-new business devel & planning; Grant L. Wood, vp, president, Softsoap Enterprises; Horace C. Moses III, genl mgr, Colgate-Hoyt; Juan Melendez, genl mgr-Hispanic mktg.

Brands/services by agency of record:

Palmolive dishwashing liquid
Palmolive Automatic dishwasher liquid
Dynamo detergent
Fab detergents
Fab 1 Shot detergent
Ajax multi-surface cleaner
Ajax cleanser
Ajax laundry detergents
Ajax dishwashing liquid
Axion powder
Palmolive soap
Ultra Brite toothpaste

Ad agency: FCB/Leber Katz Partners, New York: James McConnell, exec vp-worldwide acct dir; Colleen Gowl, exec vp-group mgmt dir, US; Patti Albanese, vp-acct dir.

■

Hispanic adv

50
Puts You in Touch with the Future...

Top 25 outdoor advertisers

Rank	Advertiser	Outdoor expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Philip Morris Cos.	$61,425	$50,877	20.7	3.0
2	RJR Nabisco	57,366	63,064	(9.0)	7.0
3	Loews Corp.	32,802	23,546	39.3	26.5
4	B.A.T. Industries PLC	24,333	15,381	58.2	13.2
5	American Brands	11,831	19,732	(40.0)	7.0
6	U.S. Government	11,140	1,000	1,014.0	3.8
7	Seagram Co.	9,278	13,958	(33.5)	6.5
8	Grand Metropolitan PLC	7,796	7,314	6.6	1.0
9	Anheuser-Busch Cos.	6,708	9,580	(30.0)	1.1
10	McDonalds Corp.	6,306	6,607	(4.6)	0.9
11	Holiday Corp.	5,089	5,000	1.8	7.5
12	Guinness PLC	4,480	3,725	20.3	9.2
13	Allied-Lyons PLC	3,954	3,767	5.0	NA
14	Bond Corp. Holdings	3,581	1,601	123.7	5.0
15	Pepsico Inc.	3,080	4,518	(31.8)	0.4
16	Brown-Forman Co.	3,065	3,963	(22.7)	5.1
17	General Motors Corp.	2,997	1,[illegible]9	50.6	0.2
18	Adolph Coors Co.	2,897	3,041	(4.8)	1.4
19	Ramada Inns	2,783	1,900	46.5	NA
20	Metropolitan Life Insurance Co.	2,689	1,746	54.0	3.7
21	Coca-Cola Co.	2,538	2,029	25.1	0.7
22	U.S. West	2,426	2,295	5.7	4.0
23	Argyll Group PLC	2,224	5,133	(56.7)	NA
24	Imasco Ltd.	2,190	1,984	10.4	2.4
25	Whitbread & Co. PLC	2,159	870	148.1	NA

Note: Dollars are in thousands. **Source:** Leading National Advertisers.

AA chart: Kevin Brown

Ad agency: Siboney Advertising, New York: Roger Pisani, genl mgr; David Cole, acct super; Julie Uhlhorn, acct exec.

■

Colgate Dental Cream
Colgate Tartar Control toothpaste & mouthwash
Colgate Jr. toothpaste
Fresh Start detergent
Irish Spring soap
Colgate toothbrushes
Fluorigard mouthwash
Colgate shave preparation

Ad agency: Young & Rubicam, New York: Gerard Dufour, sr vp-worldwide acct dir; Robert Fane, sr vp-mgmt super, domestic; Adrienne Darling, Claudia Eisen, vps-acct supers.

Hill's Pet Products
Topeka, Kan.

Marketing personnel: Robert C. Wheeler, president-ceo; Stephen J. Fogarty, exec vp-mktg & sales; David J. Geier, vp-mktg comm; Richard F. Hawkins, vp-intl; J. Richard Woodall, vp-sales; Ted R. Fraese, dir-brand mgmt; Dr. John Mara, dir-veterinary affairs; Dr. Elizabeth Hodgkins, mgr-technical affairs.

Brands/services by agency of record:

Prescription Diet

Ad agency: Harmon Smith Advertising, Kansas City, Mo.: Scott Johnson, exec dir-client svcs.

■

Science Diet

Ad agency: Y&R/Wunderman Worldwide, Detroit, Mich: Wally Thursam, sr vp; Mark Zucco, mgmt super.

Institutional Financing Services
Benicia, Calif.

Marketing personnel: E. Peter Raisbeck, president-ceo; Jim Cascino, exec vp-sales; Michael Takagawa, dir-mktg.

Princess House
North Dighton, Mass.

Marketing personnel: Richard C. Brown, president-ceo; Stephen K. Zrike, sr vp-intl; Patrick Tahaney, sr vp-sales & mktg, US; Elizabeth Bowes, vp-mktg, US.

Brands/services by agency of record:

Princess House

Ad agency: Leonard Monahan & Saabye, Providence, R.I.: Cathy Ottaviano, vp.

CPL Industries
Tenafly, N.J.

Marketing personnel: Kenneth E. Snyder, president-ceo; Bernard J. Rafferty, vp-sales; Al Chadourne, mktg mgr, soap/dishwashing prods; Gary Clarke, mktg dir, cleansers; Edward R. Gagliardi, mktg mgr, institutional fuels.

Brands/services by agency of record:

CPL Industries

Ad agency: H.J. Delaney Co., New York: Tony Scopolitto, client svcs.

RANK
85

Columbia Pictures Entertainment

New York
ADVERTISING: $122.4 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	1,616	1,086	51.6
Earnings	16	51	(68.4)
■ U.S.	**1988**	**1987**	**% chg**
Sales	1,299	956	35.9
■ Division sales	**1988**	**1987**	**% chg**
Theatrical	756	NA	NA
Television	620	NA	NA
Exhibition	235	NA	NA

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	355	1,136	(68.7)
Newspaper	23,176	[illegible],309	42.1
Outdoor	17	54	(68.3)
Network TV	35,866	32,221	11.3
Spot TV	21,629	15,223	42.1
Synd TV	978	666	46.8
Network cable	2,481	1,692	46.6
Network Radio	971	1,955	(50.3)
Measured	85,474	69,256	23.4
Unmeasured	36,900	29,900	23.4
Total	122,374	99,156	23.4

For the past five years, Columbia Pictures Entertainment Inc. has failed to produce top box-office hits or achieve stability in its executive ranks, but the company appears to be turning itself around. It is re-establishing relationships with major motion picture stars and producing TV shows that have the potential to be profitable in syndication for years to come.

The company in early 1989 also moved to streamline its operations by creating a single Motion Picture Group from the merger of its Columbia Pictures and Tri-Star Pictures units.

Coca-Cola Co. retains a 49% interest in CPE, which it formed through the merger and spin-off of Columbia Pictures and Tri-Star Pictures in 1987. CPE, which continues to distribute movies under both the Columbia and Tri-Star banners, in 1989 released its first movie since 1986 to make more than $100 million at the box office: "Ghostbusters II."

Though not the money-maker that its prequel was (the original "Ghostbusters" rang up $220 million in ticket sales in 1984), the $109 million gross it brought in was a much-needed boost.

The ghostly sequel also should bring in significant additional profits when released on videocassette this fall.

Newly-released romantic comedy "When Harry Met Sally . . ." also has been successful, grossing $60 million by mid-September when it remained among the nation's top five films.

These films have helped push Columbia's and Tri-Star's combined theatrical rental share for the summer of 1989 to 13.8%, a significant increase over the 9% share it maintained from 1987 to 1988.

The company stepped up measured ad spending for its Columbia and Tri-Star releases by 23.4% to $85.5 million in 1988. Six films received $5 million each in measured spending, the top dollar draw at CPE. But though the studios had some critical hits ("The Last Emperor," "White Mischief," "Little Nikita," "Hope and Glory"), they failed to win the movie-going public.

Under the leadership of President Dawn Steel, Columbia is re-establishing relationships with prominent actors, producers and directors. Prominent performers who have ongoing relationships with Columbia and Tri-Star include Jane Fonda, Sally Field, Michael Douglas, Glenn Close, Madonna, Richard Gere, Cher and Mikhail Baryshnikov.

While Ms. Steel brought some stability to the highest level of Columbia Pictures, the studio's marketing ranks were in flux throughout 1988. Bob Dingilian resigned as exec VP-worldwide marketing in April, to be replaced by BBDO executive Dan Michel. Mr. Michel, who held the title of president of marketing, left the studio less than a year later and was succeeded by Buffy Shutt.

Columbia Pictures Television has five popular series currently appearing in prime time on the Big Three networks and Fox Broadcasting Co.

"Who's the Boss?" "227," "Designing Women," "Married . . . With Children" and "My Two Dads" each should generate enough episodes to be successful in the lucrative domestic syndication arena for years hence.

CPT is currently running one of the industry's most aggressive promotion campaigns ever for the off-network premiere this fall of "Who's the Boss?"

CPT products in the syndication arena include "Good Times," "The Jeffersons," "The Facts of Life," "Silver Spoons" and "Punky Brewster."

CPE expanded its Loews theatres in 1988 into major metropolitan areas east of the Mississippi River and in Texas, from the chain's New York/New Jersey stronghold. The company acquired Loews Theatre Management Corp. in December 1986.

COLUMBIA PICTURES ENTERTAINMENT
711 Fifth Ave.
New York, N.Y. 10022
(212) 751-4400

Corporate personnel: Victor A. Kaufman, president-ceo; Lewis J. Korman, sr exec vp-coo, chmn, motion picture group.

Marketing personnel: Dawn Steel, president, Columbia Pictures; Jeffrey Sagansky, president, Tri-Star Pictures; Buffy Shutt, president-mktg; Kathy Jones, exec vp-mktg; John Butkovich, sr vp-media; Mark Kristol, sr vp-media; Ed Russell, sr vp-publicity, promo & field operations; Bill Loper, sr vp-adv; Joe Foley, sr vp-creative adv.

Brands/services by agency of record:

Columbia Pictures

Ad agency: McCann-Erickson, Los Angeles: Ann Elizondo, sr vp-mgmt rep.

RANK
53

Adolph Coors Co.

Golden, Colo.
ADVERTISING: $200.8 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	1,522	1,351	12.7
Earnings	47	48	(2.6)
■ Division sales	**1988**	**1987**	**% chg**
Beer business	1,265	1,133	11.6
Ceramics business	150	134	11.9
Other	107	83	28.2

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	3,019	1,680	79.8
Newspaper	1,771	1,601	10.7
Outdoor	2,897	3,041	(4.8)
Network TV	43,728	54,883	(20.3)
Spot TV	50,533	23,770	112.6
Synd TV	4,796	2,489	92.6
Network cable	4,327	1,284	237.1
Network Radio	0	8	NA
Spot radio	15,442	10,073	53.3
Measured	126,512	98,829	28.0
Unmeasured	74,300	58,000	28.1
Total	200,812	156,829	28.0

Adolph Coors Co. produced a record volume of beer in 1988, but overall earnings dropped. The company cited steeply-rising advertising and marketing costs associated with the viciously, competitive beer market dominated by two still-growing giants—Anheuser-Busch and the Miller Brewing Co.—and a trailing pack of smaller brewers nibbling around the edges of a stagnant market.

Industry analysts say the only way for a brewer to increase its market share today is to steal drinkers away from the competition and expand product lines. To that end, Coors boosted its advertising 28% in 1988 and introduced two popularly, priced beers this month.

Coors, which saw its market share rise slightly to about 8.7% in 1988, passed G. Heileman Brewing Co. (8.2%) to become the nation's fourth-largest brewer, behind No. 3 Stroh, which held an 11% share.

Still, Coors ranked far behind A-B, which controls 41.9% of the market, and Miller, at 21.6%. Coors' share is based on 16.5 million barrels, up 5.6%.

Coors Light continued to lead the company's charge. Swallowing more than $52 million of Coors' ad budget, and spending much of it regionally, Coors Light moved from No. 6 in 1987 to No. 4 in *Beer Marketer's Insights* 1988 top ten brand chart. Sales were 8.9 million bbls., compared with 50.5 million bbls. for leader Budweiser; 19.3 million bbls. for Miller Lite and 9.7 million bbls. for Bud Light.

Coors Extra Gold—a premium, full-bodied beer that debuted in 1985—was a rising star—almost 1 million bbls. were sold in 1988, up from 200,000 in 1987.

The standard Coors brand, however, slipped from No. 7 to No. 8, as it dropped 12.5% to 6.3 million bbls.—a slip some analysts attribute to "cannibalization" by Extra Gold. Company officials also believe part of the decline is attributable to a failure of the standard Coors Banquet beer to retain its loyal drinkers when its name was changed to Original Draft, a name mimicking the draft-beer-in-a-can craze started by Miller Genuine Draft. Five months after the move, Coors dropped the Original Draft tag. The GSD&M agency reworked a new campaign to focus on the beer's Colorado roots.

In 1988, Coors went national with its Herman Joseph's Original Draft and HJ Light superpremium brands. The brewer spent at least $5 million to get out its "the-smoother-the-better" message in an effort to go head-to-head with A-B's Michelob and Miller's Lowenbrau.

Killian's Red—a competitor with Heineken, Beck's and Corona Extra—was distributed nationally and then underwent name, packaging and formula changes. The beer officially became a lager—the term "ale" was dropped altogether—and its alcohol content was reduced to produce a lighter taste.

This September, Coors was to launch Keystone and Keystone Light in the so-called "popular," or lower-priced segment, which now comprises 14% of the beer market.

Coors, which had been heavily investing in sports promotions through the mid- and late-1980s, dropped its biking classic but sponsored a Coors bike-race team and other sporting events.

Coors owners say they no longer have an aversion to going into long-term debt to finance expansion plans. That about-face has led to plans to construct a $150 million aluminum rolling mill in San Antonio, and a possible merger or acquisition of production facilities owned by the struggling Stroh Brewery Co.

Coors has increased its international efforts with Asahi in Japan and Molson in Canada, who both brew and market Coors and Coors Light. Coors is considering a plan to export its products to the U.K. and the European Community in the next two years.

ADOLPH COORS CO.
Golden, Colo. 80401
(303) 279-6565

Marketing personnel: Bob Rechholtz, exec vp-sales & mktg; Gary T. Naifeh, vp-brand mgmt; Michael Marranzino, dir, Coors, Coors Extra Gold, Herman Joseph's Original Draft, Herman Joseph's Light; M. June Smith, dir, Coors Light, Coors Winterfest; Gary Skovsted, brand mgr, Coors Extra Gold, Herman Joseph's Original Draft, Herman Joseph's Light; Steve Ritter, brand mgr, Coors; Bob McBride, brand mgr, Coors Light; George Mansfield, brand mgr, George Killian's Irish Red Ale; Craig Guthrie, John Recca, brand devel mgrs, new prods; Michael R. Willey, brand mgr, Keystone, Keystone Light; Mark Reiss, media dir; Bill Holbrook, mktg svcs dir; Bob Hobbs, mktg svcs mgr; Jon Runge, merch & promo mgr.

Brands/services by agency of record:

Corp comm relations
Community relations/women

Ad agency: Evans/Denver: Charles Bartholomew, chmn-acct super; Susan Davis, acct exec.

■

Coors Light
Killian's Red
Herman Joseph's Original Draft
HJ Light
Keystone

Ad agency: Foote, Cone & Belding Communications, Chicago: Dan Fox, sr vp-group acct dir; Kent Vlautin, vp-assoc media dir; Dave Moeller, sr vp-creative dir; Bob Simon, vp-group creative dir.

■

Coors
Coors Extra Gold
Hispanic mkts

Ad agency: GSD&M, Austin, Texas: Steve Gurasich, chmn; Roy Spence, president; Chuck Grady, sr vp-acct dir; Raoul Rodriguez, sr vp-Hispanic svcs; Gary Brahl, Jim Anderson, sr vps-creative dirs; Tina Williamson, sr vp-assoc media dir; Steve Wille, sr vp-acct dir.

■

Turbo 1000

Ad agency: Tatham-Laird & Kudner, Chicago: Rawdon Parry, sr partner; Dick Salyer, mgmt super; Tom Blim, acct exec; Carrie McCarthy, asst acct exec.

■

Black mkts

Ad agency: UniWorld Group, New York: Ron Campbell, vp-mng super; Bill Allen, sr vp-creative svcs; Valerie Graves, vp-creative group head; Phil Costa, Aaron Bell, vps-assoc creative dirs.

RANK
74

CPC International

Englewood Cliffs, N.J.
ADVERTISING: $134.4 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	4,700	4,903	(4.1)
Earnings	289	355	(18.5)
■ U.S.	**1988**	**1987**	**% chg**
Sales	2,044	1,849	10.5
Operating income	244	236	3.4
■ Division sales	**1988**	**1987**	**% chg**
Consumer foods	3,807	3,317	14.8
Corn refining	893	745	19.9

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	9,478	6,928	36.8
Newsp supp	163	265	(38.6)
Newspaper	3,[illegible]	407	809.6
Outdoor	237	812	(70.9)
Network TV	18,731	13,480	39.0
Spot TV	17,522	18,302	(4.3)
Network cable	310	2	NA
Network Radio	0	54	NA
Spot radio	1,378	2,059	(33.1)
Measured	51,517	42,309	21.8
Unmeasured	82,900	68,100	21.7
Total	134,417	110,409	21.7

CPC International, which introduced reduced-calorie mayonnaise two years ago, continues to ride the health trend with the 1989 launch of a cholesterol-free mayonnaise.

The company, which notes that fewer new products are in the pipeline even though it offered 200 new products and line extensions in 1988, is banking on another winner. Hellmann's and Best Foods reduced-calorie mayonnaise have built a 9% share in the U.S. mayonnaise market since introduced in 1987.

The Hellmann's brand currently holds a 50% share (equal to its record 1987 fig-

Top 25 network TV advertisers

Rank	Advertiser	Network TV expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	General Motors Corp.	$443,402	$272,953	62.4	34.3
2	Philip Morris Cos.	388,602	376,628	3.2	18.9
3	Procter & Gamble Co.	370,175	377,552	(2.0)	24.6
4	Kellogg Co.	297,740	237,985	25.1	43.6
5	McDonalds Corp.	245,389	216,067	13.6	33.7
6	Anheuser-Busch Cos.	207,278	186,948	10.9	32.7
7	Unilever NV	189,652	213,481	(11.2)	31.2
8	Ford Motor Co.	175,688	161,177	9.0	30.8
9	RJR Nabisco	174,002	209,777	(17.1)	21.4
10	American Telephone & Telegraph	173,912	146,418	18.8	31.8
11	Johnson & Johnson	167,276	181,999	(8.1)	35.7
12	American Home Products Corp.	163,363	182,057	(10.3)	41.5
13	Chrysler Corp.	163,021	151,569	7.6	34.4
14	Pepsico Inc.	145,048	140,342	3.4	20.4
15	Eastman Kodak Co.	144,751	145,961	(0.8)	19.7
16	General Mills	137,450	133,724	2.8	29.2
17	Quaker Oats Co.	123,327	104,107	18.5	29.1
18	Bristol-Myers Squibb	121,265	137,519	(11.8)	28.2
19	Coca-Cola Co.	119,091	92,360	28.9	30.9
20	Warner-Lambert Co.	111,072	102,472	8.4	18.2
21	Nestle SA	109,496	115,403	(5.1)	19.1
22	Grand Metropolitan PLC	102,009	122,205	(16.5)	13.2
23	Sears, Roebuck & Co.	97,361	89,973	8.2	9.3
24	SmithKline Beecham	93,651	81,756	14.5	35.4
25	Honda Motor Co.	91,884	78,065	17.7	37.8

Note: Dollars are in thousands. Source: Leading National Advertisers/Arbitron.

AA chart: Kevin Brown

ure), with Kraft at 23% (down 1%). In sandwich spreads, however, Kraft commands 54.6% as well as 92% of the spoonable salad dressing, according to Jane Shickich, analyst with Prudential Bache.

Overall mayonnaise ad spending rose 12.7% to $13.5 million, according to LNA/Arbitron. Hellmann's Light garnered $10.2 million, a 154% increase, with Hellmann's regular dropping 67% to $2.4 million.

After a big drop in media spending for Mazola products in 1987, CPC expanded the brand's media budget by 20 times to $10.6 million. A large part of the increase was $3.4 million in support of its new Mazola light corn oil spread.

Ms. Shickich reported corn oil shares holding steady: Mazola carries 15.7% of the market (down from 16%); Procter & Gamble's Crisco 18.2% (down from 18.3%) and Beatrice Cos.' Hunt-Wesson Foods' Wesson Oil 17.9% (down from 18.6%).

Mazola light spread, 30% of the Mazola margarine business, generated a share growth of 25% for total Mazola margarine line, according to the company. Ms. Shickich places Mazola with a 2.8% share, behind Parkay 18%, Lever Bros. 25.8% and Nabisco 26.4%.

CPC's Knorr line of soups, sauces and bouillons introduced the Delicias de Mexico line and opened a plant in Asheboro, N.C., to produce its soups and sauces previously imported from Switzerland.

Best Foods Baking Group's Thomas' English muffins ranks as the No. 1 English muffin, with a 32% share. Ad outlay for Thomas' grew 17.5% to $5.7 million. New bakery products introduced regionally were: Brownberry light bread, two new English muffin varieties and Sahara Pita bread.

Mueller's introduced four new pasta shapes, additional flavors of Mueller's Salad Bar Pasta and a Chef Series line of pasta side dishes. Ad spending for Mueller's was down 57%, according to LNA/Arbitron, largely due to a decline of 76% to $1.5 million in spending for Salad Bar Pasta Mixes. Mueller's share of the pasta market dropped slightly from 15% to 14% while Borden's remained at 31% and Hershey's rose one share point to 18%.

After 10 years of pushing a nutrition image, Skippy peanut butter opted for a strategy to broaden the products usage. Network TV commercials now revel in the fun of "Skippy Dippin' "—use of peanut butter as a dip for such snacks as pretzels. BBDO Worldwide, New York, won the account from Saatchi & Saatchi. Ad spending for the brand remained stable at $5.7 million.

Ms. Shickich said Skippy, market leader until five years ago, has 22.2% of the market (down from 23%), Jif leads at 30.2% (up from 29%) and Peter Pan comes in with 15.3% (from 15%). Skippy is continuing expansion into the Southeast with a special, sweeter product formulation. Overall, volume increased 8%.

CPC continued to expand production and brands abroad. It also acquired four companies in 1988 and six in early 1989. The company drew 57% of its sales from abroad in 1988.

CPC INTERNATIONAL
International Plaza
Englewood Cliffs, N.J. 07632
(201) 894-4000

Best Foods
Englewood Cliffs, N.J.

Corporate personnel: Robert J. Gillespie, president.

Best Foods
Grocery Division

Corporate personnel: Lawrence K. Hathaway, president.

Marketing personnel: Jan A. van Ameron-gen, vp-mktg svcs; Stanley M. Hakmiller, vp-sales; Joan S. Dargery, Malcolm Fletcher, vps-business unit dirs; Sue B. Huffman, dir-consumer affairs; Aaron Straus, dir-info & mktg rsch; Robert T. Viscardi, media dir.

Brands/services by agency of record:

Hellmann's/Best Foods mayonnaise

Ad agency: Saatchi & Saatchi Advertising, New York: Ray Caro, mgmt dir; David Srere, mgmt super; Vicki Sherman, acct super; Jodie Glasser, acct exec.

■

Hellmann's/Best Foods mayonnaise-
Hispanic adv

Ad agency: Conill Advertising, New York: Liz Castelis, vp.

■

New prods

Ad agency: Drossman, Lehmann, Marino, New York: Neil Drossman, Charles Lehmann, Domenick Marino, partners.

■

Skippy
Mueller's new pasta prods

Ad agency: BBDO, New York: Anthony Brescia, mgmt super; John Berg, acct super; Liza Zilkha, Matt Dodds, acct execs.

■

Argo corn starch
Golden Griddle syrup
Mazola corn oil
Mazola light spread
Mazola margarine

Ad agency: Saatchi & Saatchi Advertising, New York: Ray Caro, mgmt dir; David Srere, mgmt super; Mitch Roberts, acct super; Lauren Menella, Riccardo Ferrais, acct execs.

■

Mazola corn oil-
Hispanic adv

Ad agency: Bravo Group, New York: Daisy Exposito, sr vp.

■

Mazola corn oil

Ad agency: Medicus Intercon, New York: Jennifer Grenblatt, acct super.

Best Foods Affiliates Group

Corporate personnel: Michael Bevilacqua, president.

CPC Food Service

Corporate personnel: Albert A. Witz, president.

Marketing personnel: Robert J. Nemec, vp-mktg & sales; Mike Taylor, mktg mgr; Donna Micali, prod mgr.

Brands/services by agency of record:

Argo
Hellmann's/Best Foods mayonnaise
Karo
Knorr prods
Mazola oil
Skippy peanut butter
Thomas' English muffins

Ad agency: Cato Johnson/Y&R, New York: Wendy Forman, mgmt super.

Knorr Special Products

Corporate personnel: Nina Z. Henderson, president.

Marketing personnel: Bruce Hillenbrand, mktg dir; Charles Lloyd, prod mgr.

Brands/services by agency of record:

Knorr bouillons

Ad agency: Font & Vaamonde Associates, New York: Pedro Font, president.

■

Knorr soups, sauces, bouillons
Rit dye

Ad agency: Warwick Advertising, New York: Walker Berwick, mgmt super; Marjorie Miller, acct super; Ana Maldonado, acct exec.

Best Foods Baking Group
Fairfield, N.J.

Corporate personnel: Robert B. Snyder, president.

Marketing personnel: Donald Berman, vp-business mgmt; Brian Anderson, vp-genl mgr, dry prods.

Brands/services by agency of record:

Arnold breads, rolls
Arnold croutons & stuffing
Brownberry breads
Devonshire Melba prods
Old London Melba prods

Ad agency: North Castle Partners, Greenwich, Conn.: Charlie Ballard, acct super.

■

Thomas' English muffins

Ad agency: Backer Spielvogel Bates Worldwide, New York: Dana Tower, mgmt super; Susan Rudolph, acct super.

RANK
47

Dayton Hudson Corp.

Minneapolis
ADVERTISING: $230.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	12,204	10,677	14.3
Earnings	287	228	25.9
■ Division sales	**1988**	**1987**	**% chg**
Target	6,331	5,306	19.3
Mervyn's	3,411	3,183	7.2
Department stores	1,693	1,552	9.1
Lechmere	769	636	20.9

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	219	215	2.0
Newspaper	90,630	81,082	11.8
Outdoor	184	252	(27.1)
Spot TV	27,032	36,310	(25.6)
Spot radio	5,732	4,647	23.3
Measured	123,796	122,486	1.1
Unmeasured	106,400	105,300	1.1
Total	230,196	227,886	1.1

Dayton Hudson Corp., after ending its earnings slide in 1988, is concentrating on its three main apperel businesses representing 591 stores.

Not included in that picture is Lechmere's, a 27-store chain Dayton Hudson has agreed to sell to Berkshire Partners. An appliance, consumer electronics and leisure-time equipment store chain, Lechmere's spent $14.8 million in measured media in 1988, up from only $4.8 million in 1987, according to LNA/Arbitron. Its advertising is part of the Dayton Hudson composite in this issue.

Dayton Hudson also discontinued last year its Branden's home furnishing test concept of nine stores and absorbed $35 million of expense.

Dayton Hudson's measured ad spending remained flat in 1988 as a 12% boost in national newspaper advertising canceled out declines in spot TV and outdoor spending.

The company's strongest division remains Target, its upscale discounter. Target is making its presence felt in new markets in the Pacific Northwest and entered the Southeast as part of a 60-store expansion this year.

Apart from media advertising, Target is sponsoring the Trans-Antarctica Expedition of Will Steger, which began this August and is scheduled to conclude in March 1990. Over 300 products, ranging from camping equipment to plush animals themed to the trip, are being carried by Target. A Christmas promotion in 1988 featured Aretha Franklin.

Target got $41.6 million in measured advertising in 1988, down 8%, according to LNA/Arbitron.

A prototype for remodeled stores was introduced at Mervyn's, which opened 14 stores in 1988. Eight more new stores are planned for this year. In-store graphics were sharpened and private-label merchandise continued to be upgraded. Mervyn's attracted $35.3 million in media spending, down 17.5%, according to LNA/Arbitron.

Dayton Hudson Department Store turned around a disappointing showing in 1987 although the division, which operates two stores, Dayton's and Hudson's, continues to face tough competition on its Minneapolis home turf. Last year, Carson Pirie Scott & Co., Saks and Polo entered that market, which also is set to get Bloomingdale's, Nordstrom and Neiman-Marcus stores.

Last year the department store broke its first TV image campaign, themed "Dayton's knows you." Spending on TV, however, remained only a blip on the $10.2 million (up 9.7%) in total measured spending screen monitored by LNA/Arbitron. Virtually all was in national newspapers. Hudson's outspent Dayton's with $12.1 million in media, up 14%.

Two employees from Campbell-Mithun-Esty, the agency that handled the account, have opened an in-house agency, Pigeon Productions. This gives the division greater creative control and cuts through the agency approval process, says Jack Mugan, DHDSC's director of creative services. Robert Thacker also moved over from Campbell-Mithun-Esty to join Target in April as VP-marketing.

The division also cut back its promotional advertising to center on regular-price merchandise, and increased the number of pages in "roto mags" the company produces and newspaper inserts, as opposed to running ROP.

DAYTON HUDSON CORP.
777 Nicollet Mall
Minneapolis, Minn. 55402
(612) 370-6948

Dayton Hudson Department Store Co.
Minneapolis

Marketing personnel: Stuart Widdess, sr vp-mktg; Daniel Stroman, dir-adv production; Jack Mugan, dir-creative svcs; Karen Bohnhoff, sr vp-trend dir.

Corporate media buying: Haworth Group, Minneapolis: Dale Haworth, president; Claude Steven, exec vp.

Brands/services by agency of record:

Dayton Hudson department stores

Ad agencies: (In-house): Pigeon Productions: Gary Jensen, president; Kate Stanford, vp.

Brogan Kabot, Detroit: Marci Brogan, president.

Mervyn's
Hayward, Calif.

Marketing personnel: Susan Sprunk, vp-sales promo; Pat Holt, dir-creative adv; Ruth Lindley, dir-media planning & operations.

Brands/services by agency of record:

Mervyn's

Ad agency: Cohen & Johnson, Los Angeles: Howie Cohen, chmn-creative dir; Mark Johnson, president.

Target Stores
Minneapolis

Marketing personnel: John Pellegrene, sr vp-mktg; Robert Thacker, vp-mktg.

Brands/services by agency of record:

Target stores

Ad agency: Ruhr/Paragon, Minneapolis: Chuck Ruhr, president.

RANK
96

Delta Air Lines

Atlanta
ADVERTISING: $112.6 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	6,915	5,318	30.0
Earnings	307	264	16.3

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	589	1,092	(46.0)
Newsp supp	0	0	NA
Newspaper	25,326	21,135	19.8
Outdoor	1,329	1,360	(2.3)
Network TV	23,143	14,030	64.9
Spot TV	6,617	12,901	(48.7)
Synd TV	127	0	NA
Network cable	1,602	3,245	(50.6)
Spot radio	19,946	19,671	1.4
Measured	78,680	73,435	7.1
Unmeasured	33,900	31,700	6.9
Total	112,580	105,135	7.1

Delta Air Lines is climbing to new heights on the strength of an expanding route structure, marketing partnerships and a costly strike at Eastern Air Lines, its principal competitor in the southeastern U.S.

Delta was the big winner from a strike at Eastern that began March 4, 1989. The strike crippled Eastern as it dragged on through key vacation travel months. In Atlanta, where both carriers have hub operations, Delta's share grew to 73% of 9.9 million emplanements during the first six months of 1989, compared with Eastern's share of 11.4% for the same period.

Delta benefited in 1988 from improved media buying efficiencies as a result of the April 1987 operational merger with Western Airlines. The $787 million buyout of Los Angeles-based Western gave Delta immediate strength west of the Mississippi River. It added 44 cities to Delta's route system, including hubs at Los Angeles and Salt Lake City, and added important new markets, such as Mexico, Hawaii, Alaska and western Canada.

The merger made Delta the nation's third-largest air carrier. Through the first seven months of this year, Delta's RPM share was 15.3% compared to 13.1% in the same period in 1988. No. 1 American Airlines was 18.7%, up from 16.2%, followed by No. 2 United Airlines at 17.6%, down from 17.8%, according to PaineWebber. RPM is a standard measure of revenue gained by carrying one paying passenger one mile.

Better U.S. coverage has enabled Delta to shift media spending away from spot TV in favor of image-oriented network TV. Network TV jumped 65% in 1988 to $23 million, while spot TV spending fell to $6.6 million in 1988, down 94%, according to LNA/Arbitron.

"We've always done network TV, but our spending is much more efficient today because Delta now covers the entire country," says Judy Jordan, assistant VP-advertising and sales promotion.

Delta's newspaper spending of $25.3 million, up 21%, is primarily image, not fare-related, she adds. However, Delta does promote fare-related ads in magazine and Sunday supplements as part of its "Dream Vacations" program.

Joint marketing efforts took on greater significance at Delta last year. A June 1988 agreement to become the official carrier of Anaheim, Calif.-based Disneyland is estimated to have cost Delta some $40 million.

But Delta used the agreement to develop an in-park promotional exhibit that was launched in April 1989, with consumer and travel agency sweepstakes and national advertising. A similar exhibit opened in October 1988, at Disney World in Orlando, where Delta also is believed to have paid about $40 million in 1987 to become that park's official carrier, replacing Eastern, which had held the contract for 15 years.

Delta is intensifying its international

Top 25 spot TV advertisers

Rank	Advertiser	Spot TV expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Pepsico Inc.	$257,957	$271,069	(4.8)	36.2
2	Procter & Gamble Co.	222,883	238,049	(6.4)	14.8
3	Philip Morris Cos.	157,578	176,159	(10.5)	7.7
4	General Mills	145,945	135,805	7.5	31.0
5	Grand Metropolitan PLC	130,339	142,005	(8.2)	16.8
6	McDonald's Corp.	128,102	129,010	(0.7)	17.6
7	General Motors Corp.	115,286	103,522	11.4	8.9
8	Anheuser-Busch Cos.	87,486	83,750	4.5	13.8
9	Hasbro Inc.	78,681	72,148	9.1	47.8
10	Time Warner	78,368	79,345	(1.2)	19.1
11	Hyundai Group	73,305	76,[illegible]87	(4.2)	35.8
12	Nestle SA	69,152	62,743	10.2	12.1
13	Ford Motor Co.	68,885	50,292	37.0	12.1
14	Toyota Motor Corp.	68,582	66,294	3.5	25.1
15	Nissan Motor Co.	64,147	43,593	47.2	28.5
16	Walt Disney Co.	62,955	54,415	15.7	20.9
17	Coca-Cola Co.	56,126	65,847	(14.8)	14.6
18	Kellogg Co.	53,287	61,925	(13.9)	7.8
19	American Stores Co.	51,416	46,228	11.2	20.5
20	Adolph Coors Co.	50,533	23,770	112.6	25.2
21	Unilever NV	49,944	58,555	(14.7)	8.2
22	Chrysler Corp.	45,535	45,300	0.5	9.6
23	News Corp.	45,355	47,529	(4.6)	32.6
24	Imasco Ltd.	43,828	43,346	1.1	48.3
25	Nynex Corp.	42,412	33,783	25.5	26.4

Note: Dollars are in thousands. **Source:** Leading National Advertisers/Arbitron.

AA chart: Kevin Brown

presence with new routes introduced to Dublin in June 1988, Taipai in fall 1988, Frankfurt in June 1989 and one-stop European routes, such as London-Hamburg in May 1989. Delta is planning service to Bangkok, Thailand in December 1989.

As part of this effort, Delta established joint marketing agreements in 1989 with Swiss Air and with Singapore Airlines to coordinate flight schedules and to improve opportunities for connecting passenger and cargo service, says Bob Coggin, Delta's VP-marketing development.

DELTA AIR LINES
Hartsfield Intl Airport
Atlanta, Ga. 30320
(404) 765-2600

Marketing personnel: W. Whitley Hawkins, sr vp-mktg; R.W. (Bob) Coggin, vp-mktg devel; Al H. Kolakowski, vp-sales; Cal Rader, vp-mktg automation; Harold Achtziger, vp-intl; Marcey McCann, asst vp, reservations sales; Judy Jordan, asst vp-adv & sales promo; Matt Guilfoyle, dir-consumer mktg; Harry Dunham, dir-industry mktg; Russ Gariota, dir-field mktg; Sandy Rowan, mgr-adv; Kathy Field, staff mgr-adv & promo; Jon Proctor, system mgr-promo.

Brands/services by agency of record:

Delta Air Lines

Ad agency: BBDO, Atlanta: Don Mitchum, president; Jack Walz, exec vp-worldwide acct dir; Jim Garrison, sr vp-mgmt super, domestic; Mike DiPrima, vp-acct super; Marina Costarides, Ann Dillard, Diane Richardson, acct execs; Peter Shelton, sr vp-mgmt super, Intl; Chis Kean, vp-acct super.

RANK
34

Walt Disney Co.

Burbank, Calif.
ADVERTISING: **$300.6 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	3,438	2,877	19.5
Earnings	522	445	17.4
■ Division sales	**1988**	**1987**	**% chg**
Theme parks, resorts	2,042	1,834	11.3
Filmed entertainment	1,149	876	31.2

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	21,722	6,837	217.7
Newsp supp	278	96	188.8
Newspaper	22,866	24,609	(7.1)
Outdoor	543	222	144.6
Network TV	34,179	19,326	76.9
Spot TV	62,955	54,415	15.7
Synd TV	3,565	1,511	135.9
Network cable	2,351	1,672	40.6
Network Radio	687	0	NA
Spot radio	7,137	14,770	(51.7)
Measured	156,281	123,458	26.6
Unmeasured	144,300	114,000	26.6
Total	300,581	237,458	26.6

Walt Disney Co.'s purchase of Henson Associates late last month, bringing Miss Piggy, Kermit the Frog, Gonzo and Fozzie Bear into the Disney playpen, characterized the Midas touch of Disney's Chairman-CEO Michael Eisner.

Earlier, Mr. Eisner announced plans to double the size of the entertainment portion of the Walt Disney World-MGM Studios attraction, which opened this May in Orlando.

And while many Hollywood studios have cut back production, last fall Disney announced it was launching a new film company, Hollywood Pictures, slated to produce up to 12 movies a year by 1992. Additionally, Disney increased its consumer products revenue base by 25%, with the acquisition of catalog marketer Childcraft Inc. in 1988.

The company is energetically pursuing cross-promotional opportunities, of which the largest is a 15-year agreement signed in April whereby Eastman Kodak Co. will pay a multimillion-dollar fee to use Disney characters in its advertising and will be the sole supplier of film at Disney theme parks. The addition of the Muppets can only promote similar merchandising deals.

Disney's "Who Framed Roger Rabbit," which grossed $78 million in theatrical rentals was the No.1 movie last year. Other Disney winners were third-ranked "Good Morning, Vietnam" and sixth-ranked "Three Men and a Baby." They have grossed rental totals of $58.1 million and $36.3 million respectively, since their late-1987 releases, according to *Variety*.

Disney led *Variety's* studio ranking of theatrical rentals with a 20% share, up from a second-place 14% last year—and a 3% last place in 1985. Second-ranked Paramount Pictures had 16% and 20th Century-Fox and Warner Bros. were tied at 11%.

Measured advertising for the films totaled $65.4 million, up from only $13.7 million in 1987. The heaviest concentration was in spot TV.

Disney released 14 films in 1988, including the heavily-promoted "Roger Rabbit," which had measured spending of over $7 million, and "Oliver & Company," for which over $6 million was spent.

In home video, "Cinderella," promoted via a reported $25 million campaign, sold over 7 million copies, making it second only to "E.T.," and helping push Disney into first place in home video sales. Measured spending for home video advertising increased 78.1% to $12.4 million.

Subscriptions to the Disney Channel now top 4 million. Measured ad spending for the cable service totaled $5.4 million, up 71.9%.

Although Disney reports lower revenues from TV, it continues to have hits in the "Golden Girls" and "Empty Nest" on network TV, and the syndicated "DuckTales," "Win, Lose or Draw" and "Siskel & Ebert."

In December 1988 Disney took over KHJ-TV in Los Angeles, its first TV broadcast property acquisition.

Price increases resulted in an 11% increase in total revenue from the company's theme parks and resorts, which include Walt Disney World and Epcot Center in Florida, Disneyland in California and Tokyo Disneyland. Attendance was down 5%, however, compared to record levels attained in 1987 when Disney World ran a 15th anniversary promotion.

Measured advertising for Disney's U.S. theme parks, hotels and resorts totaled $54.7 million, up 45.1%.

On the promotion side, Disney touted Mickey Mouse's 60th birthday in 1988 with an estimated $100 million, the U.S. portion of which AA included in the estimated unmeasured spending for Disney.

In addition to enhancing its direct marketing posture via the Childcraft acquisition, the Disney catalog was sent to more than 8 million homes, compared to 2.8 million the year before. Disney also opened 10 more Disney retail stores, bringing its total to 13 with 100 planned by 1992.

WALT DISNEY CO.
500 S. Buena Vista St.
Burbank, Calif. 91521
(818) 560-1000

Walt Disney Studios

Marketing personnel: Jeffrey Katzenberg, chmn, Richard H. Frank, president; Bob Levin, president-worldwide mktg; Robert Jahn, sr vp-creative svcs; Gary Kalkin, sr vp-domestic mktg; Ed Pine, vp-publicity & promo.

Corporate media buying: Western International Media, Los Angeles: Dennis Holt, president.

Brands/services by agency of record:

Walt Disney Studios

Ad agency: (In-house): Robert Jahn, sr vp-creative svcs; Anthony Sella, vp-creative svcs.

Disney Consumer Products

Marketing personnel: Barton K. Boyd, president; Stephen B. McBeth, sr vp, US & Canada; Paul S. Pressler, vp, licensing.

Corporate media buying: Western International Media, Los Angeles: Dennis Holt, president.

Brands/services by agency of record:

Consumer products

Ad agency: Janklow-Bender & Associates, New York: Bruce Janklow, president.

Walt Disney Attractions

Marketing personnel: Richard A. Nunis, president; Tom Elrod, sr vp-mktg; Phil Lengyel, vp-mktg, Walt Disney World; Mike McPhillips, mgr-adv, Walt Disney World; Bob McTyre, vp-mktg, Disneyland; Jackie Schneider, temporary mgr-adv, Disneyland.

Corporate media buying: Western International Media, Los Angeles: Dennis Holt, president.

Brands/services by agency of record:

Attractions

Ad agency: (In-house): Vista Advertising: Mike McPhillips, mgr-adv, Walt Disney World; Jani Lopez-Mead, acting mgr-media, Disneyland.

Zsa Zsa lends TV glitter

Miss Gabor added sparkle to Noxell's Lestoil cleaner in '59 when it was the lone product of Leader, Adell Chemical Co.

RANK
62

Dow Chemical Co.

Midland, Mich.
ADVERTISING: **$156.7 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	16,682	13,377	24.7
Earnings	2,398	1,240	93.4
■ U.S.	**1988**	**1987**	**% chg**
Sales	7,497	5,976	25.5
Operating income	1,746	1,037	68.4
■ Division sales	**1988**	**1987**	**% chg**
Chemicals	5,190	4,054	28.0
Plastics	6,938	5,301	30.9
Hydro-carbons	1,502	1,449	3.7
Consumer specialties	3,029	2,530	19.7

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	17,309	17,237	0.4
Newsp supp	379	332	14.2
Newspaper	5,773	80	7,106.6
Outdoor	76	49	54.6
Network TV	73,407	64,678	13.5
Spot TV	5,750	5,677	1.3
Synd TV	3,288	4,852	(32.2)
Network cable	5,766	2,132	170.5
Network Radio	2,154	6,423	(66.5)
Spot radio	1,828	433	322.1
Farm pub	2,542	1,488	70.9
Measured	118,270	103,380	14.4
Unmeasured	38,400	33,500	14.6
Total	156,670	136,880	14.5

When Dow lacks products to give it access or greater exposure in a market, it buys the access through acquisition or some form of partnership as it did in 1988 and 1989.

The biggest of current alliances came this July with the announced merger of Merrell Dow and Lakeside with Marion Laboratories to form Marion Merrell Dow Inc., an entity to be 67% owned by Dow Chemical. Sales are projected at about $1 billion higher than the present Dow Pharmaceutical's $1.3 billion, making it the 13th largest U.S. pharmaceutical marketer.

Marion brings to the union its big ethical drugs division headed by Cardizem, the leading U.S. cardiovascular drug, and Carafate, fastest-growing ulcer medication in 1988.

Merrell Dow's prescription drugs include Seldane non-sedating antihistamine and Lorelco cholesterol-lowering agent. Seldane G, with an added decongestant, is awaiting government approval.

Marion's OTC lineup includes Gaviscan antacid, OsCal calcium products, Gly-Oxide gel hydrogen peroxide and Debrox ear wax softener.

Lakeside markets Citrucel, which is No. 2 at a 6.9% share of the bulk laxative market behind Procter & Gamble's Metamucil, Cepacol, No. 5 in the mouthwash market at a 4.5% share behind Listerine, Scope, Plax and Listermint. It also markets Nicorette, a smoking-cessation product.

In April 1989, Dow and Eli Lilly & Co., the Indianapolis-based pharmaceutical and chemicals company, announced formation of a joint venture company, Dow Elanco Inc., to produce and market insecticides, weed killers and seeds.

Sales of $1.5 billion expected in its first year would make Dow Elanco the biggest in the $5 billion U.S. agri-chemicals market.

Dow joined forces with Exxon Chemical Co., a specialist in adhesives and sealants, in June 1988 to develop new products and expand markets. The 50/50 venture will develop and supply styrenic thermoplastic elastomers. Dow contributes the engineering and manufacturing; Exxon provides the worldwide marketing and applications savvy.

In October 1988, it purchased for $345 million Essex Chemical Corp., Clifton, N.J. Essex's Special Products subsidiary, an industry leader in auto sealants and adhesives, gives Dow sales access to 80% of the world auto industry including all U.S. auto makers.

During 1989, Lakeside Pharmaceutical's Nicorette smoking cessation gum ran the first known brand-specific advertising of a prescription drug, nicotine polacrilex, stating, "If you have a smoking problem, use Nicorette." These ads, by Rubin, Gace & Associates, New York, are limited to print because of the required explanation of side effects. TV messages for Nicorette still don't name it. The brand received about $6 million in U.S. ad spending. On a worldwide basis, its sales jumped 44% to nearly $100 million.

The other big chunk of consumer spending was for Dow Chemical's packaged consumer goods group now called DowBrands, which got $74.7 million in measured media, according to LNA/Arbitron.

Lamaur hair-care line, added in late 1987, gave Dow skills in marketing and distributing personal care products. Lamaur's advertising for 1988 brought another $13.6 million to the DowBrands' media budget.

Comparing existing home care and food care lines shows a combined 41% jump to $60.1 million, broken down into $34.8 million for home care (Texize and Fantastik cleaners among leading spenders) and $25.3 million for food care (Saran and Handi wraps and Ziploc bags).

For DowBrands, Henderson Advertising, Greenville, S.C., created an $18 million campaign to promote the food care division's introduction of Spiffits premoistened cleaning towels. The campaign, targeted to working women, began with TV spots in May 1989.

Ad spending for agricultural products eased up just 2% to a shade over $1.1 million in 1988 from a little more than $1 million in 1987, mostly for the pyridine-based herbicides and pesticides, such as Lorsban, used on cereals, forage crops and row crops.

Dow corporate advertising—the ". . . Lets you do great things" series in both the winter and summer Olympics—cost about $14 million.

DOW CHEMICAL CO.
2030 Willard H. Dow Center
Midland, Mich. 48674
(517) 636-1000

Corporate personnel: Paul F. Oreffice, chmn; Frank R. Popoff, president-ceo.

Dow Chemical USA

Corporate personnel: Keith R. McKennon, president; William S. Stavropoulos, group vp, plastics & hydrocarbons; Enrique J. Sosa, group vp, chemical & performance prods; Thomas K. Smith, vp, govt & public affairs; Richard K. Long, dir-corp comm; Richard F. Dalton, mgr-corp adv.

Brands/services by agency of record:

Corp programs

Ad agency: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.: H.J. Hogan, sr vp-mgmt super; W.L. Gaer, vp-acct super.

Chemicals & Performance Products

Marketing personnel: John W. Tysse, vp-sales & mktg; Stewart D. Brown, dir-mktg, performance prods, latex & new ventures; Ron S. Ihrig, dir-mktg, separation systems; Ron E. Taylor, dir-mktg, chemicals & metals; Timothy W. Noonan, group mgr-comm; Joy B. Hutchinson, comm mgr, chemicals & metals; Terry F. McNeill, comm mgr, performance prods.

Brands/services by agency of record:

Chemicals & metals

Ad agency: Hoffman, York & Compton, Milwaukee: John Murphy, sr vp-acct group super; Reed Allen, sr vp-creative dir.

■

PR for-
Chemicals & metals
Performance prods
Latex prods

Ad agency: Gibbs & Soell, New York: Cos Malozzi, president; Richard Kerrigan, acct super.

■

Latex prods

Ad agency: Weller, Cook & Misamore Advertising, Grand Rapids, Mich.: Robert Cook, vp.

■

Performance prods
Separation systems
New ventures

Ad agency: Alexander Marketing Services, Grand Rapids, Mich.: Robert Milroy, president-acct group super; Richard Hill, vp-acct super; Christopher Beaudon, acct super.

Dow Plastics

Marketing personnel: Lee A. Schobe, vp-sales & mktg; Mike Butcher, dir-comm; Gordon E. Butte, Alan Ambrose, comm group mgrs; Michael G. Caparon, comm consultant; Richard J. Proskow, sr comm mgr.

Brands/services by agency of record:

Dow plastics

Ad agencies: Anderson & Lembke, Stamford, Conn.: Bob Lillienfeld, acct exec.

Alexander Marketing Services, Grand Rapids, Mich.: Robert Milroy, president-acct group super; Richard Hill, vp-acct super; Christopher Beaudon, acct super.

Jayme Organization, Cleveland: Lawrence Cavanaugh, exec vp.

Sefton Associates, Grand Rapids, Mich.: Gary Petertyl, sr vp.

Consumer Specialties
Agricultural Products

Marketing personnel: Robert C. Spears, mgr-mktg resources & comm; Jeff Reimer, mgr-mktg resources, industrial & specialty materials mktg comm; Ev Germon, mgr-mktg resources, agri-crop mkts; Jack D. Eadie, mgr-commercial pr & employee comm.

Brands/services by agency of record:

Infestational materials
Infestational vegitative mgmt
Small grains specialty crops

Ad agency: Bader Rutter & Associates, Brookfield, Wis.: Miller Hogan, acct super.

■

Midwestern agriculture
Coastal agriculture

Ad agency: Creswell, Munsell, Fultz & Zirbel, Cedar Rapids, Iowa: Randy Thompson, vp-acct super.

■

Media planning

Ad agency: Vitt Media, New York: F. Richard Olsen, vice chmn.

Merrell Dow Pharmaceuticals
Merrell Dow USA
Cincinnati

Marketing personnel: Vaughn Kalian, president; John Julian, vp-mktg; John Bruton, dir-adv.

Brands/services by agency of record:

Targocid
Lorelco

Ad agency: Bozell Healthcare, New York: Joyce Knapp, vp.

■

Allergy adv

Ad agency: Medicus Consumer Communications, New York: Joe Davis, exec vp-mng dir.

■

Seldane

Ad agency: Medicus Intercon, New York: Jennifer Greenblatt, vp-acct super.

■

Lorelco
Norpramin

Ad agency: (In-house): Merrell Dow, Cincinnati: John Bruton, dir-adv.

Lakeside Pharmaceuticals
Cincinnati

Marketing personnel: John Dishaw, president; George Quesnelle, dir-mktg; Ryan Abbate, adv mgr.

Brands/services by agency of record:

Cepacol Gold
Cepacol Mint
Citrucel
Novahistine

Ad agency: Rubin, Reed, Noto & Ehrenthal, New York: Herb Ehrenthal, acct super.

■

Nicorette

Ad agency: Rubin, Gace & Associates, New York: Francis Gace, exec vp-acct dir.

■

Bentyl
Singlet
Tenuate

Ad agency: (In-house): Lakeside, Cincinnati: Ryan Abbate, adv mgr.

DowBrands Inc.
Home Care Division
Greenville, S.C.

Marketing personnel: Jim Bernhardt, vp-mktg; John Borgo, group prod mgr, laundry prods; Mike Cooper, group brand mgr, hard surface cleaners; Rob Grant, vp-new prod devel.

Brands/services by agency of record:

Home Care div

Ad agency: Henderson Advertising, Greenville, S.C.: Mike Zeller, sr vp-group acct dir; Beverly Grant, sr vp-mgmt super; Rich Stoffer, vp-mgmt super; Mark Klein, vp-acct super; Erica Kieffer, acct super; Tom Dunn, acct exec.

Food Care Division
Indianapolis

Marketing personnel: Joe Bucci, vp-mktg; Steve Johnson, vp-new prod devel; Debi Burns, group brand mgr, wraps; Dennis Barsten, mgr, bags; Ann Kramer, adv mgr.

Brands/services by agency of record:

Food Care prods

Ad agency: Della Femina, McNamee WCRS, New York: Ed Pedeschi, exec vp, dir-acct svcs; Mike Jeary, exec vp-group acct dir; Phil Juliano, exec vp-mgmt super; Barbara Johnston, Nadine Saker, acct supers.

Personal Care Products
Minneapolis

Marketing personnel: Nina Diamond, vp-mktg; Peter Carey, group brand mgr.

Brands/services by agency of record:

Personal Care prods

Ad agency: Campbell-Mithun-Esty, Minneapolis: Howard Liszt, sr vp; John Purdy, vp-mgmt super; Donna Wiederkehr, acct super.

RANK
86

Dr Pepper/ Seven-Up Cos.

Dallas

ADVERTISING: $121.9 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	977	263	272.0
Newsp supp.	0	0	NA
Newspaper	1,440	1,927	(25.3)
Outdoor	532	560	(5.0)
Network TV	35,035	32,677	7.2
Spot TV	29,108	30,908	(5.8)
Synd TV	4,948	2,406	105.7
Network Cable	1,592	2,798	(43.1)
Network radio	414	103	301.6
Spot radio	5,101	4,729	7.9
Measured	79,147	76,421	3.6
Unmeasured	42,800	41,300	3.6
Total	121,947	117,721	3.6

Dr Pepper/Seven-Up Cos. will face two distinct challenges in the coming months: maintaining momentum for Dr Pepper brands and regaining momentum for 7UP products.

Although Dr Pepper Co. and Seven-Up Co. formally merged to become the nation's No. 3 soft drink company little more than a year ago, sales and marketing functions remain separate for the Dallas-based company.

Dr Pepper is coming off a record sales year with 13% overall sales increases in 1988. Regular Dr Pepper alone posted growth of 14.4% while Diet Dr Pepper was up 4.1%, according to John C. Maxwell, beverage analyst at Wheat First Securities.

The picture for 7UP products was bleaker. After record sales gains in 1987 led to a sharp turnaround, Seven-Up stumbled with the failure of spicy caffeinated 7UP Gold in 1988. Further, sales for 7UP last year were off 2.1% while Cherry 7UP was down 41.3%, according to Mr. Maxwell. Diet 7UP posted a slight 1.5% increase. Overall, sales dropped 6.1% in 1988 compared to the previous year.

Dr Pepper brands together account for a 4.8% share of the total 7.5 billion case soft drink category, and its Welch's grape juice line added another 0.5% giving the group a 5.3% share, up from 5.0% in the prior year, according to Mr. Maxwell. Regular Dr Pepper is the No. 5 selling brand with a 4.4% market share, and the top selling non-cola.

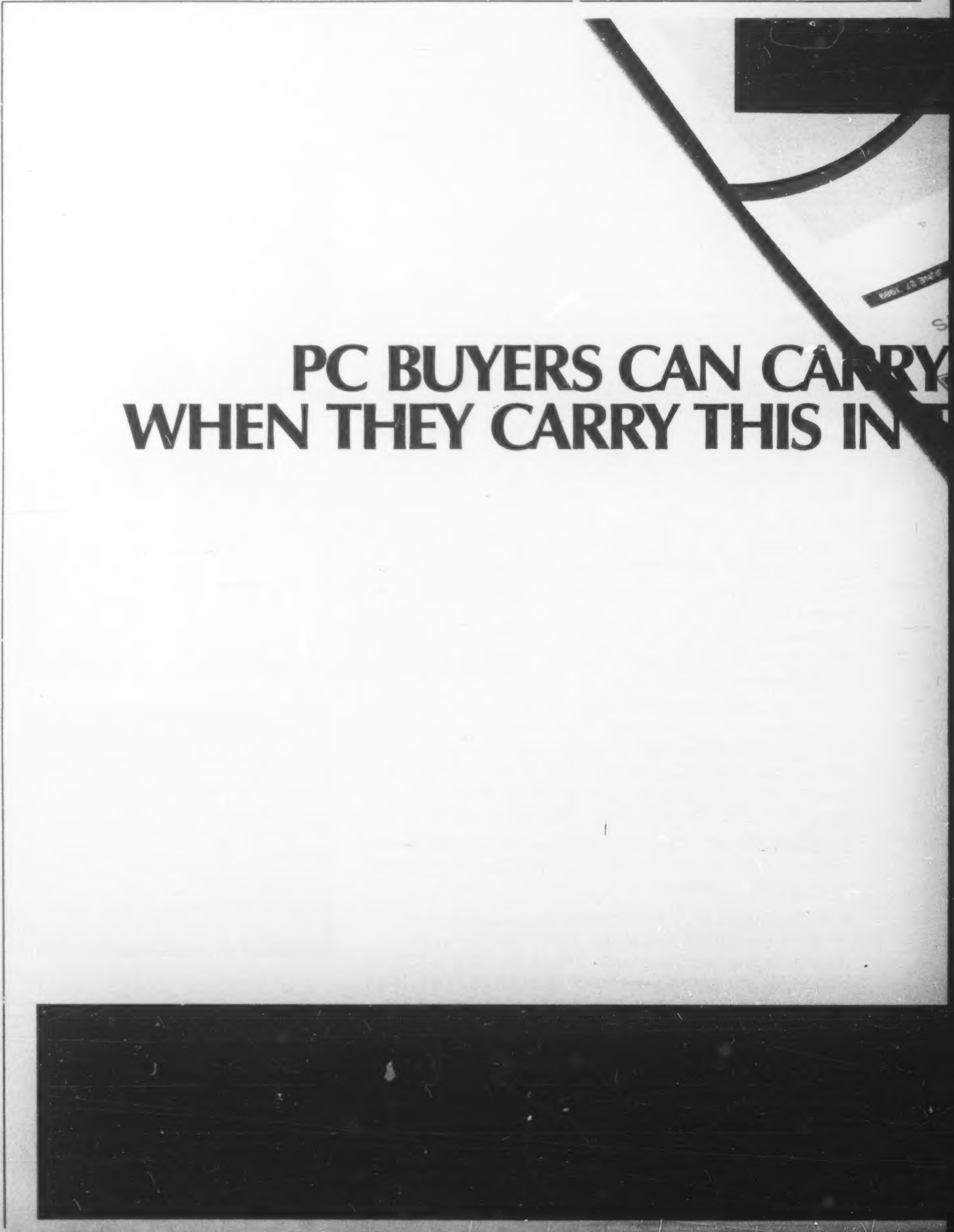
Seven-Up in late 1988 returned to a core brand focus with marketing emphasis on brand 7UP, Diet 7UP and Cherry 7UP. Its newest product, 7UP Gold, never grabbed hold nationally and basically has been dropped by most bottlers.

Ad dollars were directed 100% into network TV rather than local and regional buys—to achieve greater efficiencies and boost overall impact, according to Russ Klein, Seven-Up senior VP-marketing.

Olympic Gold Medal athlete Jackie Joyner-Kersee became spokeswoman for 7UP. Seven-Up continued to target children ages 6 to 12 with its "Spot" campaign, the animated character made from 7UP's red dot. Cherry 7UP also used its established "Isn't it cool in pink?" theme aimed at teens.

Early in 1989, Diet 7UP launched its own version of the cola wars: a campaign that poked fun at Coke and Pepsi advertising. The parody spots spoofed Coke's 3-D effort, the statistics game of how many people switched to which cola and the use of rock stars in commercials.

Seven-Up's overall market share slipped to 4.7% in 1988 from 5.2% in 1987, according to Mr. Maxwell. Brand 7UP dropped to the No. 8 position overall at a 3.1% share, edged out by Coca-



Cola's Sprite (No. 6) and Pepsi's Mountain Dew (No. 7). 7UP had been ahead of Mountain Dew in 1987.

"It's a daily vigil to hold our own when we have two giants that take aim directly against us," said Mr. Klein. "We want to continue to raise top-of-mind awareness for brand 7UP among teens and young adults."

DR PEPPER/SEVEN-UP COS.
8144 Walnut Hill Ln.
Dallas, Texas 75231-8144
(214) 360-7000

Marketing personnel: John Albers; president-ceo; True Knowles, Dr Pepper exec vp-coo; Dale Schaufel, Seven-Up exec vp-coo; John Clarke, Dr Pepper sr vp-mktg; Russ Klein, Seven-Up sr vp-mktg.

Brands/services by agency of record:

Dr Pepper

Ad agency: Young & Rubicam, New York: Bill Thompson, group dir; John Swan, mgmt super.

■

Seven-Up

Ad agency: Leo Burnett USA, Chicago: John Miller, exec vp; Jack Woods, vp-acct dir; Sue Matson, Peter Boczar, acct supers.

RANK
77

E.I. du Pont de Nemours & Co.

Wilmington, Del.
ADVERTISING: $131.4 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	32,917	30,468	8.0
Earnings	2,190	1,786	22.6
■ U.S.	**1988**	**1987**	**% chg**
Sales	20,021	18,817	6.4
Operating income	1,607	1,418	13.3
■ Division sales	**1988**	**1987**	**% chg**
Chemicals	4,701	3,979	18.1
Biomedical prods	1,330	1,266	5.1
Coal	1,757	1,770	(0.7)
Fibers	5,749	5,261	9.3
Ind. & consumer prods	3,561	3,284	8.4
Petroleum exploration	1,878	2,066	(9.1)
Polymer prods	9,674	9,031	7.1
Polymer prods	4,267	3,811	12.0

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	34,676	41,676	(16.8)
Newsp supp	1,659	2,119	(21.7)
Newspaper	704	409	72.3
Outdoor	74	112	(33.9)
Network TV	31,418	26,603	18.1
Spot TV	11,867	9,351	26.9
Synd TV	203	436	(53.6)
Network cable	1,105	1,187	(6.9)
Spot radio	2,719	2,291	18.7
Farm pub	5,111	4,978	2.7
Measured	89,535	89,161	0.4
Unmeasured	41,900	41,700	0.5
Total	131,435	130,861	0.4

Du Pont, which will enter the Sears, Roebuck & Co. furniture showrooms this fall with a line of upholstered chairs and sofas, continued to spend heavily in 1988 to advertise its fiber lines and finishes.

The furniture line, branded Lasting Images, gives added value to the Du Pont product, Dymetrol, a high-tech seating-support material billed as six times more durable than the usual springs and webbing it replaces.

As part of the sales promotion for the line, model living rooms will be installed in 450 of the retailer's larger stores and in-store video monitors will play tapes explaining the product.

Du Pont continued strong support for its Stainmaster carpet, which had sales of over $600 million in 1988. Measured ad spending on Stainmaster climbed fivefold to $31.9 million. Stainmaster led the 13% surge in increased media advertising for all Du Pont carpet fibers.

Media spending for fabric treated with Teflon stain repellent rose 11.4% to $5.9 million; Lycra fiber advertising was down 53% to $4.7 million; Dacron fiber advertising was up 8.7% to $3 million, while general fiber advertising rose 10.5% to $2.9 million, according to LNA/Arbitron.

Demand for Spandex, a fiber used to make tight-fitting stretch clothing, has resulted in a 10% jump in the sales of Lycra, a Du Pont fiber critical to its manufacture. With estimated sales of $600 million for Lycra, Du Pont is the world's leading supplier. Analysts say Lycra is Du Pont's most lucrative product.

The textile fibers operation provided the training ground for Du Pont's new chairman-ceo, Edgar Smith Wollard Jr., who succeeded Richard E. Heckert last April. Mr. Wollard approved the decision years ago to advertise Du Pont fibers directly to the public. The move was costly, but eventually paid off.

Changes may be afoot at Conoco, Du Pont's energy operation that now accounts for 30% of Du Pont's sales, although only 16% of its profits. Some analysts predict a partial spinoff as a means to better control costs. Conoco is valued as a supplier of the raw materials for 70% of the company's products that are hydrocarbon-based.

Among Du Pont's move to expand its printing and imaging businesses have been joint ventures with Xerox Corp. to develop electronic proofing technology and with Toyo Ink Manufacturing Co. of Japan to market inks in North America.

In May 1989, Du Pont, the leading U.S. printing plate and chemical supplier, bought Howson-Algraphy, the leading British plate supplier, from Vickers PLC. Howson last year had sales of $300 million, making it the third-largest supplier of lithographic plates behind Japan's Fuji Photo Film Co. and West Germany's Enco-Hoechst.

During the year, Du Pont strengthened its ties with Young & Rubicam, its agency of record for automotive products, imaging systems and polymer products in the U.S. Du Pont tapped Y&R for its $4.2 million Du Pont Canada account. Y&R Detroit also opened a satellite office in Wilmington this year.

E.I. du PONT DE NEMOURS & CO.
1007 Market St.
Wilmington, Del. 19898
(302) 774-1000

Corporate personnel: Edgar S. Wollard Jr., chmn-ceo; Elwood P. Blanchard, vice chmn.
Marketing personnel: J.R. Malloy, sr vp-external affairs; R.E. Williams, mng dir-mktg comm; H.E. Davis, comm dir, auto prods, polymer prods, chemical & pigments, petrochemicals; J.M. Murray II, comm dir, electronics, imaging systems, medical prods; D.O. Nail, comm mgr, agricultural prods; R.W. Nightingale Jr., comm dir, fibers; L.C. Tashjian Jr., mng dir-public affairs, corp ads.
Brands/services by agency of record:

Polymer prods

Ad agency: N W Ayer, New York: Theodore M. Regan, exec vp.

■

Chemicals & pigments
Corp adv
Fibers

Ad agency: BBDO, New York: Arnold Ross, sr vp.

■

Medical prods

Ad agency: Barnum Communications, New York: Peter Neaman, sr vp.

■

Electronics

Ad agency: Ketchum Communications, Philadelphia: Scott Franks, sr vp.

■

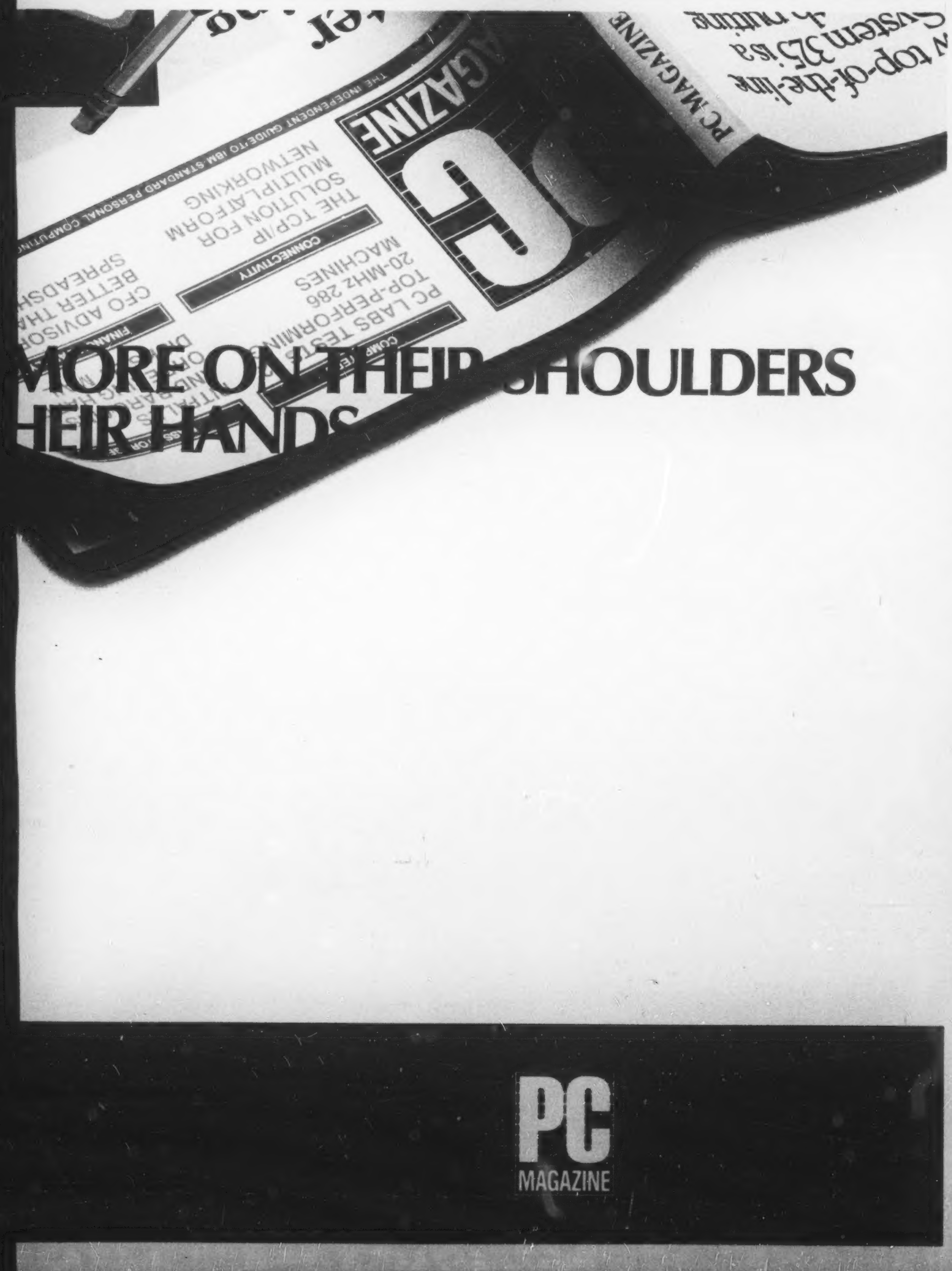
Hotel du Pont

Ad agency: Reese, Tomases & Ellick, Wilmington, Del.: Alan B. Poland, sr vp.

■

Polymer prods

Ad agency: Richardson, Myers & Donofrio,



Top 25 syndicated TV advertisers

Rank	Advertiser	Syndicated TV expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Philip Morris Cos.	$88,592	$64,200	38.0	4.3
2	Procter & Gamble Co.	60,899	48,910	24.5	4.0
3	Bristol-Myers Squibb	32,647	27,455	18.9	7.6
4	Unilever NV	26,959	30,836	(12.6)	4.4
5	Nestle SA	26,644	17,599	51.4	4.6
6	Mars Inc.	23,780	12,996	83.0	7.0
7	Kellogg Co.	23,376	21,733	7.6	3.4
8	Grand Metropolitan PLC	21,808	16,611	31.3	2.8
9	Hasbro Inc.	21,103	14,836	42.2	12.8
10	Warner-Lambert Co.	19,565	14,119	38.6	3.2
11	Coca-Cola Co.	18,952	10,264	84.6	4.9
12	Quaker Oats Co.	18,414	18,150	1.5	4.3
13	SmithKline Beecham	17,851	15,260	17.0	6.8
14	H.J. Heinz Co.	17,111	15,439	10.8	5.0
15	Eastman Kodak Co.	16,946	13,533	25.2	2.3
16	RJR Nabisco	15,146	19,138	(20.9)	1.9
17	Lee Pharmaceuticals	13,575	NA	NA	NA
18	Hershey Foods Corp.	13,180	14,280	(7.7)	4.4
19	Johnson & Johnson	12,810	13,727	(6.7)	2.7
20	McDonald's Corp.	12,516	7,603	64.6	1.7
21	Wm. Wrigley Jr. Co.	10,449	6,096	71.4	7.8
22	Tonka Corp.	10,100	18,123	(44.3)	12.2
23	Anheuser-Busch Cos.	9,757	5,146	89.6	1.5
24	Ralston Purina Co.	9,328	8,895	4.9	2.2
25	Clorox Co.	9,278	8,835	5.0	6.3

Note: Dollars are in thousands. Source: Leading National Advertisers/Arbitron.

AA chart: Kevin Brown

Baltimore: Jamie Rice, exec vp.

■

Agricultural prods
Chemicals & pigments
Fibers
Petrochemicals

Ad agency: Rumrill-Hoyt, Rochester, N.Y.: Richard Thomson, chmn-ceo.

■

Medical prods

Ad agency: Sutton Communications, New York: Steve Spittel, sr vp.

■

Automotive prods
Imaging systems
Polymer prods

Ad agency: Young & Rubicam, Detroit: Dan Wagner, sr vp-mgmt super.

RANK
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Eastman Kodak Co.

Rochester, N.Y.
ADVERTISING: $735.9 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	17,034	13,305	28.0
Earnings	1,397	1,178	18.6
■ U.S.	**1988**	**1987**	**% chg**
Sales	10,024	8,040	24.7
Operating income	1,957	1,317	48.6
■ Division sales	**1988**	**1987**	**% chg**
Imaging	10,575	9,711	8.9
Chemicals	3,033	2,600	16.7
Health	3,691	1,230	200.1

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	31,943	32,884	(2.9)
Newsp supp.	3,125	1,232	153.6
Newspaper	7,546	2,002	280.7
Outdoor	557	1,096	(49.2)
Network TV	144,751	145,961	(0.8)
Spot TV	21,239	15,000	41.6
Synd TV	16,946	13,533	25.2
Network cable	11,387	7,989	42.5
Network Radio	4,725	3,941	19.9
Spot radio	1,826	960	90.3
Farm pub.	0	247	NA
Measured	244,045	224,935	8.5
Unmeasured	491,900	453,400	8.5
Total	735,945	678,335	8.5

Eastman Kodak Co., with a string of moves to reduce debt and overhead costs already under its belt, said in August 1989 it would trim the fat again. It plans to eliminate 4,500 jobs worldwide by yearend and sell off some unidentified businesses. The company also reported it would reduce ad spending, though it vowed "we will not jeopardize our clout in the marketplace."

Kodak earlier said it might renegotiate its major agencies' compensation agreements to include bonus incentives. J. Walter Thompson USA handles film and media buying; Young & Rubicam handles cameras. The incentive plan would not apply to agencies for Kodak's Sterling Drug subsidiary.

Kodak's media buying clout got a huge boost with its $5.1 billion purchase of Sterling in February 1988. Sterling, the larger advertiser of the two, spent over $150 million in measured media in 1988, according to LNA/Arbitron.

Kodak said disappointing second-quarter 1989 financial results—net income was down 85%—led to the latest restructuring, which Kodak claims will generate up to $1 billion in operating cash flow during 1990.

But that cash, and possibly more, could flow into the pockets of Polaroid Corp. which won a lawsuit in U.S. District Court in Boston against Kodak for infringing on seven of its instant-photography patents. Damages have not yet been determined, but Kodak's payoff has been estimated to be over $1 billion.

The company said it will increase in ad spending for film by 25%, partly to back the U.S. introduction of Ektar. Kodak spent about $35 million in measured media on film in general in 1988, LNA/Arbitron reported. Ektar will receive ad backing of $17 million in 1989.

Kodak said the sweeping restructuring and future efforts will not affect its major sponsorship deals signed this year. It signed a multi-million, 15-year deal with Walt Disney Co. becoming the official supplier of photographic products to Disney theme parks. This year Kodak was the second advertiser to sign on as a worldwide sponsor of the 1992 Olympics.

Kodak also said new product development has not and will not be slowed as a result of ongoing cost reductions. As evidence, Ektar was only one of 80 new or improved products to emerge in 1988 from Kodak. Other entries include three new models of it S-Series 35mm camera line, its first weatherproof 35mm camera, Ektachrome 100 HC film and Kodachrome 200 film.

Perhaps the most significant development this year in the U.S. conventional film market was the emergence of a new competitor, Polaroid Corp., which entered the $2 billion U.S. amateur-conventional film market in April with OneFilm, a single-speed, 35mm film backed by $30 million in advertising and promotional spending.

And while Kodak virtually owns the conventional film market with an estimated 80% share, analysts say Polaroid has a good shot at whittling away at No. 2 Fuji Photo Film USA's 10% share.

Kodak's Sterling Drug subsidiary, like other aspirin marketers, scurried in 1988 to take advantage of reports showing aspirin use may lower the incidence of heart attacks in healthy men.

Glenbrook Laboratories, the Sterling division that markets OTC drugs including Bayer aspirin, ran ads touting the findings, but under regulatory pressure Glenbrook and others softened their claims. The Bayer line got nearly $35 million in measured media in 1988, up 35%.

Expected sales gains for aspirin failed to materialize and this year aspirin marketers, including Glenbrook, shifted strategies to reemphasize pain relief in ads. Currently, in the aspirin segment of the $2.4 billion analgesic category, Bayer leads the market with a 7% share, with American Home Products' Anacin a close second at 6%, according to Kline & Co., pharmaceutical consultants. Bristol-Myers Excedrin and Bufferin brands rank third and fourth, each with about 5% of the market.

Besides slight gains in Bayer's market share, Glenbrook's U.S. sales also were paced by improved performances from three other brands: Midol menstrual pain-relief got $5.7 million in media, down 36%; Campho-Phenique topical antiseptic received $3.7 million, up 43% and Stri-Dex medicated pads got $5.1 million, up 53%, reported LNA/Arbitron.

Sterling says its Winthrop Pharmaceuticals division "will produce a flow of new ethical drug products by the mid to late 1990s." One such drug under development is Primacor in oral form. The drug is used for treatment of congestive heart disease.

Sterling's household division, Lehn & Fink, introduced new products and line extensions to such mainstay products as Lysol disinfectants and d-Con insecticides. The Chubs baby-wipe line was expanded as was the Lysol line which now includes a light scent spray.

EASTMAN KODAK CO.
343 State St.
Rochester, N.Y. 14650
(716) 724-4000

Corporate personnel: Colby H. Chandler, chmn-ceo; Kay R. Whitmore, president-exec officer; J. Phillip Samper, vice chmn-exec officer.

Operating Business Groups
Commercial & Information Systems

Corporate personnel: Lawrence J. Matteson, group vp-genl mgr; Edgar J. Greco, vp-genl mgr, business imaging systems div; Edward V. Ince, vp-genl mgr, customer equipment svc; Charles L. Trowbridge, vp-genl mgr, copy prods div; Gary H. Connors, vp-genl mgr, federal systems div; C. Harold Gaffin, vp-genl mgr, graphics imaging sytems div.

Diversified Technologies/Life Sciences

Corporate personnel: Frank P. Strong Jr., group vp-genl mgr; Dennis M. DeLeo, vp-genl mgr, bioscience/emerging business div; John R. Zeman, vp-genl mgr, clinical prods div; Robert T. Hamilton, vp-genl mgr, health sciences div; Richard T. Bourns, genl mgr, mass memory div.

Photographic Products

Corporate personnel: Wilbur J. Prezzano, group vp-genl mgr; Peter M. Palermo, vp-genl mgr, consumer prods div; William P. McCarrick, vp-genl mgr, consumer svcs div; Joerg D. Agin, vp-genl mgr, motion picture & audiovisual prods div; Robert L. Smith, vp-genl mgr, photofinishing systems div; Raymond H. DeMoulin, vp-genl mgr, professional photography div; Robert C. Sharp, vp-genl mgr, US sales div.

Operating Support Units
Manufacturing/Distribution/Field Support

Corporate personnel: William F. Fowble, sr vp-genl mgr; Robert H. Graulich, vp-genl mgr, distribution; Frank D. Zaffino, vp-genl mgr, Kodak Apparatus div; Ronald L. Heidke, vp-genl mgr, Rochester Sensitized Products Mfg; Vernon A. Dyke, vp-genl mgr, Sensitized Components Mfg; John J. Powers, vp-mgr, US Field Support.

Communications & Public Affairs

Corporate personnel: David J. Metz, vp-dir.
Marketing personnel: Richard S. Bartlett, vp, dir-mtkg comm.
Brands/services by agency of record:

Professional photography div
Motion picture/AV div
Electronic photography div
Consumer prods sales promo
Film trade
Camera trade
Photofinishing trade
Batteries trade

Ad agency: Rumrill-Hoyt, Rochester, N.Y.: Richard Thomson, chmn-ceo; Nick Orioff, president-coo; Tim Cronin, sr vp-creative dir; Gale Johnson, sr vp, dir-pr; Helen Hutchings, vp-assoc group mgr; Vicki Lewis, vp-assoc group mgr, acct super; Anita Dangel, acct exec.

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Amateur film
Business & industrial
Photofinishing
Ultratch batteries

Ad agency: J. Walter Thompson USA, New York: Jerry Gottlieb, mgmt dir; Marty Susz, acct dir, film & photofinishing; Richard O'Leary, sr vp-acct super, film; John Mittnacht, sr acct super, photofinishing; Jeff Bodenmann, acct super, film; Libby Light, acct rep, film; Anna Suessbrick, acct rep, photofinishing & processing labs; Anna Marie Mor, acct coord, film, photofinishing & processing labs; Doug Foster, vp-acct dir; Robert Losi, sr acct super, business & industrial; Jill Jackson, acct rep, business & industrial; Marty Rose, sr vp-mgmt super, Ultratech; Mitchell Brooks, acct dir, Ultratech; Hunter Madsen, acct super, Ultratech; Susan Resnick, asst acct rep, Ultratech; Lynn Bishop, acct coord, Ultratech.

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Cameras

Ad agency: Young & Rubicam, New York: Peter Georgescu, president; Roby Harrington, exec vp; Fernan Montero, group dir; Tim Fitzgerald, mgmt super; Jonas Wagner, acct super; Maritza Roche-Smith, acct exec.

Eastman Chemical Division

Corporate personnel: Ernest Davenport Jr., group vp-president; R. Wiley Bourne Jr., vp-asst genl mgr; James L. Chitwood, vp, dir-rsch & devel; Tom Nethery, vp-mfg.
Brands/services by agency of record

Eastman Chemicals div.

Ad agency: FCB/Leber Katz Partners, New York: John Adams, sr exec vp; Howard Berg, group mgmt dir; Jack Benoze, mgmt dir; Randie Goldstein, acct exec.

STERLING DRUG
90 Park Ave.
New York, N.Y. 10016
(212) 907-2000

Corporate personnel: Hilary Hinchman, corp dir-adv svcs.

Glenbrook Laboratories

Corporate personnel: Richard F. Gaccione, president.
Marketing personnel: Steven Staves, vp-mktg; Ellen Miller; Susan Danehower, Marcia Bither, group prod mgrs.
Brands/services by agency of record:

Phillips' line
Haley's line

Ad agency: N W Ayer, New York: Ken McCarren, exec acct dir; Kathy Oberg, acct super.

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Medical comm

Ad agency: Dugan/Farley Communications, Montvale, N.J.: John P. Dugan, president.

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Hispanic adv.
Bayer line
Phillips' line
Panadol

Ad agency: Font & Vaamonde, New York: Pedro Font, president.

■

Bayer line
Panadol

Ad agency: Lintas:New York: Bob Wadsworth, exec vp; Elliot G. Dorfman, sr vp-mgmt super; Robert Nadelman, vp-acct super; Michael Simpson, acct exec.

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Stri-Dex
Midol

Ad agency: Warwick Advertising, New York: Wilder D. Baker, president; John Sloan, sr vp-mgmt super; Ann Riddell, vp-acct super; Jane Pollock, Kirk Cameron Ayars, Jeanne Manuli, acct execs.

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Neo-Synephrine brand
pHisoDerm
pHisoPUFF

Ad agency: Warwick Advertising, New York: Peter Black, mgmt super; Beth Kimbless, acct exec.

Lehn & Fink
Products Group
Montvale, N.J.
Personal Products Division

Corporate personnel: Herb Waller, president.
Marketing personnel: Peter Sinerea, vp-mktg; Mort Weisburd, vp-sales.

Household Products Division

Corporate personnel: Joseph M. Healy, president.
Marketing personnel: Jim Byrum, vp-sales; Christine McArdle, Kenneth Jones, William Smith, category mgrs.

National Laboratories

Corporate personnel: James J. Castello, president.
Marketing personnel: Donald R. Nowlin, vp-sales.

Minwax Co.
Montvale, N.J.

Corporate personnel: Peter Black, president.
Marketing personnel: Ridgely W. Harrison III, vp-sales; Richard A. Bachman, vp-mktg.

The d-Con Co.
Montvale, N.J.

Corporate personnel: Earle K. Borman, president; David C. Haffmeister, exec vp.
Marketing personnel: John J. McFadden, vp-sales dir; William Bassett, mgr-new prods.

Thompson & Formby
Memphis, Tenn.

Corporate personnel: Kenneth M. Evans, president.
Marketing personnel: Bill D. Stewart, vp-sales; Frederick D. Miller, vp-mktg.
Brands/services by agency of record:

Minwax consumer & industrial prods

Ad agency: Gilbert, Whitney & Johns, Whippany, N.J.: John Mimnaugh, exec vp.

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Wet Ones
Chubs
Ogilvie
Tussy
Dorothy Gray

Ad agency: Jordan, McGrath, Case & Taylor, New York: Judy Neidert, acct super, Wet Ones, Chubs; Don Gilbert, Don Specht, sr vps; Anne Kirkwood, acct super; Suzanne Constantine, Jennifer Graham, acct execs; Jim Loh, media super; Peggy Shelly, vp-assoc rsch dir.

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Lysol Pine Action

Ad agency: Lowe Marschalk, New York: Michael Lesser, chmn-ceo; Andrew Langer, president; Marshall Kapp; exec vp; Barry Linsky, exec vp; Carl Maier, sr vp-mgmt super.

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Rid-X Septic Acid

Ad agency: Ramm Advertising, Cranford, N.J.: Ed Ramm, president; Jack Hernish, vp.

■

Thompson & Formby

Ad agency: Slater Hanft Martin, New York: Jerry Martin, chmn; Terry Koch-Bostic; sr vp-mgmt super; Lily Li, acct super.

■

Lysol prods
Love My Carpet
Mop & Glo

Ad agency: Lintas:New York: Robert Watsworth, exec vp; John Barnes, sr vp; Ray Hilton, Tom Perlstein, Doug Harting, acct supers; Kevin Driscoll, David Knise, acct execs.

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Glass Mates
Insecticides
Rodenticides
Resolve carpet cleaners

Ad agency: Warwick Advertising, New York: Andrew Mockler, Lisa Halle, acct supers; Katherine Stuart, Melissa Dougherty, acct execs.

Winthrop Pharmaceuticals
New York

Corporate personnel: Harry A. Shoff, president.
Marketing personnel: Thomas L. Harkleroad, vp, pharmaceutical prods div; Thomas Giordano, vp-mktg, pharmaceutical prods div; John Cornille, vp-sales, pharmaceutical prods div; Dan Peters, vp, diagnostic imaging div; Alan Binaghi, vp-sales; Jack Talley, vp-mktg.
Brands/services by agency of record

Talwin Nx
Talwin injection
Talacen

Ad agency: Carrafiello, Diehl & Associates, Irvington, N.Y.: John F. Carlucci, vp-mgmt super.

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Primacor

Ad agency: Klemtner Advertising, New York: Gavin A. Scotti, president.

■

Inocor
Plaquenil
Danocrine

Ad agency: KPR, New York: Gabor Ossath, acct super.

■

Omnipaque

Ad agency: Lavey/Wolff/Swift, New York: John Dillon, vp-acct super.

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Biobrane
Carpuject

Ad agency: Vargas, Levy, Zules, New York: Tom Vargas, president.

Winthrop Veterinary

Corporate personnel: H. Dwight Koger, exec vp.
Marketing personnel: Joseph R. Lotito, natl sales mgr; Susan Brennan, sales & mktg analyst.
Brands/services by agency of record:

Veterinary pharmaceuticals & disinfectants

Ad agency: Sawyer, Riley, Compton, Gainesville, Ga.: Louis Sawyer, vp-acct exec; Mike McCarty, acct exec.

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Ford Motor Co.

Dearborn, Mich.
ADVERTISING: **$569.8 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	92,446	79,893	15.7
Earnings	5,300	4,625	14.6
■ U.S.	**1988**	**1987**	**% chg**
Sales	61,814	55,412	11.6
Operating income	2,474	2,723	(9.1)
■ Division sales	**1988**	**1987**	**% chg**
Automotive	82,193	71,797	14.5
Financial svcs	10,253	8,096	26.6

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	125,532	125,529	0.0
Newsp supp	155	615	(74.8)
Newspaper	25,272	34,568	(26.9)
Outdoor	2,157	1,787	20.7
Network TV	175,688	161,177	9.0
Spot TV	68,885	50,292	37.0
Synd TV	4,543	5,437	(16.4)
Network cable	6,267	6,118	2.4
Network Radio	12,043	19,766	(39.1)
Spot radio	11,827	14,861	(20.4)
Farm pub	4,616	4,267	8.2
Measured	436,983	424,416	3.0
Unmeasured	132,800	129,000	2.9
Total	569,783	553,416	3.0

Ford Motor Co. posted its third straight record profit year in 1988, while tightening the reins on its ad spending.

Ford consolidated several overseas ad accounts, struck up more joint ventures to expand its vehicle lines and diversified heavily into financial services markets.

But its rosy performance concealed the slugfest in the U.S. market where declining demand and stiffer competition led to incentive wars that cost some manufacturers $900 a vehicle.

Ford's ad budget in 1988 remained flat as the company put together high incentive packages to boost unit sales and market share. Ford's share of the U.S. car market climbed to 21.7% in 1988, its 10-year high, and 1.5 points above 1987.

Ford sold 2,205,336 cars in the U.S., up 9.19%, and 1,523,215 trucks, up 4.8% for 29% share of the light-truck market.

Ford added to its Ford Financial Services Group in 1989 with the purchase of The Associates for $3.35 billion. Earlier it purchased Meritor Credit Corp., which had $1.4 billion in assets. Ford is planning to generate 30% of its profits from its FFSG operations.

Ford continued to set up joint ventures with foreign partners to become more competitive globally, and to augment its product lines with minimum investment. It struck an agreement with Nissan to produce and sell a new mini-van in the U.S., giving Ford up to 70,000 new front-drive carlike vans by fall 1991. Ford and Mazda in May 1988 agreed to build the Probe, a sports car that received $26.3 million in measured spending in 1988, according to LNA/Arbitron, Ford Division's third largest ad outlay for a nameplate.

Ford also inked a marketing agreement with Mazda for the latter to begin distributing three Ford vehicles through Mazda's U.S. distribution system in the next couple of years. The three include a redesigned Bronco II, a new small pickup and a redesigned Aerostar, being introduced beginning in 1991.

Ford consolidated its ad business worldwide with much of the changed accounts going to J. Walter Thompson USA. Ogilvy & Mather and Young & Rubicam hold other major pieces of business.

JWT defended its Ford de Mexico account in May, 1988, beat out O&M for the $7 million Taiwan-based Lio Ho Motor Co.'s account and picked up $5 million in business from Ford dealer co-op ad groups in New York and New Jersey. JWT ended up with about $400 million in Ford-related business in 13 countries.

The Ford Division account provides the bulk of JWT's dollars. In the U.S., the division sold 1,527,504 cars during 1988, up 9.9%, in out-distancing Chevrolet for the first time in nearly a decade. It maintained its long-standing "Have you driven a Ford lately?" theme and the more recent, "Winning the world over" tagline.

Heaviest advertised Ford Division nameplates were the Escort at $29.5 million, up 65% and Taurus $29.2 million, up 8.2%. The division spent $28.1 million, up 4%, on generic-type general promotion, and $25.5 million, down 32%, on Ford passenger cars, according to LNA/Arbitron.

Lincoln-Mercury and Y&R struggled to replace the theme, "The shape you want to be in," because its was considered outdated due to the plethora of competitive claims for aerodynamic styling. After a failed attempt at a new theme, L-M returned to its 1970s cougar to promote the image of agility and performance under a "Nothing moves you like a Mercury" themeline.

Lincoln continued to be promoted as "What a luxury car should be" and whittled down Cadillac's sales lead to less than 100,000 units. In measured ad spending, Continental leaped to $8.2 million, up 116%; Mercury Cougar got $11.3 million, up 1.8%; Mercury Sable drew $8 million, up 8.1% and Mercury Topaz received $9.9 million, up 106%.

Aside from nameplate advertising, heavy spending of $17.5 million backed Mercury passenger cars, an expenditure up 92%, and $8.4 million supported Lincoln-Mercury passenger cars, up from $2.5 million in 1987.

FORD MOTOR CO.
American Rd.
Dearborn, Mich. 48121
(313) 322-3000

Corporate personnel: Edsel B. Ford II, exec dir-mktg staffs; F.R. Wuellner, mgr-adv comm.
Brands/services by agency of record:
Corp adv
Ad agency: Wells, Rich, Greene, New York: James B. Lawrence, sr vp-mng dir, Detroit.

Ford Division
Corporate personnel: T.J. Wagner, vp-genl mgr.
Marketing personnel: R.L. Fenstermacher, genl sales mgr; J.D. Carey, exec asst, dealer affairs; P.M. Novell, genl mktg mgr; J.M. Ludlow, truck sales promo mgr; J.B. Vanderzee, adv mgr; R.J. Gillooly, car adv mgr; W.L. Glick, truck adv mgr; S.H. Beauchamp, merch mgr; J.F. Gwaltney, car sales promo mgr; D.M. Pohlod, training comm mgr; J.H. Merrifield, heavy truck sales mgr; J.H. Hicks, heavy truck adv & merch mgr; J.A. Pierce, heavy truck adv mgr; D.G. Allen, heavy truck merch mgr.
Brands/services by agency of record:
Ford cars & trucks
Ad agency: J. Walter Thompson USA, Detroit: C.J. Balestrino, sr vp-genl mgr; R. Buckhammer, sr vp-mgmt dir, Ford Div acct; Richard Howting, sr vp-exec creative dir; Sean Neall, vp-truck mgmt super; Hugh Trenkamp, sr vp-group mgmt dir; Steve Stepanek, vp-mgmt super, family cars; Gert Lembach, vp-mgmt super, specialty cars.

Lincoln-Mercury Division
Corporate personnel: R.H. Roberts, vp-genl mgr.
Marketing personnel: Mark Hutchins, genl sales mgr; D.E. Breedlove, genl mktg mgr; S.C. Taylor, adv mgr; R.J. Robbins, merch mgr; Chuck Schneider, major mkt dealer adv mgr.
Brands/services by agency of record:
Minority adv
Ad agency: UniWorld Group, New York; Byron Lewis, chmn-ceo; Herb Kemp, president; Fermina Platon, vp, dir-mktg.

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Lincoln-Mercury
Ad agency: Young & Rubicam, Detroit: Roby Harrington, exec vp, chmn-Y&R USA natl group; John Saaders, chmn-ceo, Y&R Detroit; Chuck Riley, sr vp, dir-client svcs; Greg Stein, sr vp, dir-strategic planning; Ken Pool, sr vp, dir-media relations & planning; Warren Winstanley, vp-mgmt super, Lincoln luxury; Tim Cooney, vp-mgmt super, Mercury; Alexander Hogg, vp-acct super, Lincon-Mercury; Colleen K. Cleary, acct super, Merkur; Kathleen J. Fieger, Sandra A. Rowland, sr acct execs; Shelley Stowell, acct exec.

Ford Parts & Service Division
Corporate personnel: L.R. Miskowski, genl mgr; J.G. O'Connor, genl sales & mktg mgr.
Marketing personnel: K.W. Myers, parts & svc mktg mgr; L.K. Dwiggins, genl sales & svc mgr; A.L. Merritt, adv & sales promo.
Brands/services by agency of record:
Ford parts & svc
Ad agency: Ogilvy & Mather, Detroit: Jan Starr, genl mgr; Bill Behrmann, sr vp-media dir; Steve Kenety, David Murphy, vps-acct supers; Steve Hamilton, acct super.

North American Sales Operations
Ford New Holland
Marketing personnel: R.F. Moglia, chmn-ceo; R.M. Garrity, president-coo; G.A. Cowl, exec vp-sales & mktg; R.M. Reeves, dir-mktg svcs: H.D. Cotcamp, vp, N.America sales operations; R.A. Kinder, mgr-comm & sales promo.
Brands/services by agency of record:
Div adv
Ad agency: (In-house): R.A. Kinder, mgr-comm & sales promo; Don Shaw, mgr-adv.

Ford Motor Credit Co.
Corporate personnel: D.S. Cook Jr., exec vp, N. American auto financing operations.
Marketing personnel: J.P. Healey, vp, Western US operations; V.J. Radzid, vp, Eastern US & Canadian operations; S.M. Poth, vp-business planning; L.C. Larkin, vp-mktg; R.C. Donoghue, mgr, quality office; D.J.Wennerberg, mgr, operations svcs office; L.L. Mason, mgr, tractor & equipment operations.
Brands/services by agency of record:
Ford Motor Credit
Ad agency: Wells, Rich, Greene, New York: Allan Vernier, vp-mgmt super.

RANK
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Franklin Mint

Franklin Center, Pa.
ADVERTISING: **$114.8 MILLION**

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	48,981	31,733	54.4
Newsp supp	29,083	17,497	66.6
Newspaper	5,484	3,395	61.5
Spot TV	3,816	3,956	(3.5)
Synd TV	0	167	NA
Network cable	2,157	1,295	66.6
Measured	90,102	58,052	55.2
Unmeasured	24,700	15,900	55.3
Total	114,802	73,952	55.2

Taking a fresh tack in marketing promotion for 1988-89, the Franklin Mint moved to celebrity testimonials featuring Indy 500 champ Danny Sullivan and famed man-about-media Ted Turner.

Advertising Age estimates the Mint's total 1988 sales at about $600 million out of a total $800 million for parent company American Protection Industries, Los Angeles.

Franklin Mint advertises heavily, spending by its own count $200 million in

Premium Channels Publishing Co., Inc.

TV.BLUEPRINT is offered by more cable systems than any other program guide.

1265 Sunrise Highway
Bay Shore, NY 11706
(516) 665-8800

Spanish Eyes. Fabulous Figures. Affluent Readers.

In Miami, Diario Las Américas delivers it all. Diario is the one completely Spanish-language daily newspaper that's as much a part of everyday life in the Miami Hispanic Market as Cuban coffee, arroz con pollo and The Miami Sound Machine.

Diario's Spanish eyes generate figures that will open your eyes to a great media buy. The average annual family income of Diario readers is $30,318.65% own their own homes. 94.7% of Diario reader households own one or more cars. 63.5% own two or more cars. 74.5% have major credit cards.

The average annual food expenditure of Diario reader households is $4,609. With plenty of discretionary income for liquor, cars, travel and other products and services.

The wealthiest part of an 8-billion-dollar market. Of all the Spanish-language media in the Miami Hispanic Market, Diario Las Américas is the one that reaches the heart and soul, the movers, the shakers and opinion makers of its 8-billion-dollar market.

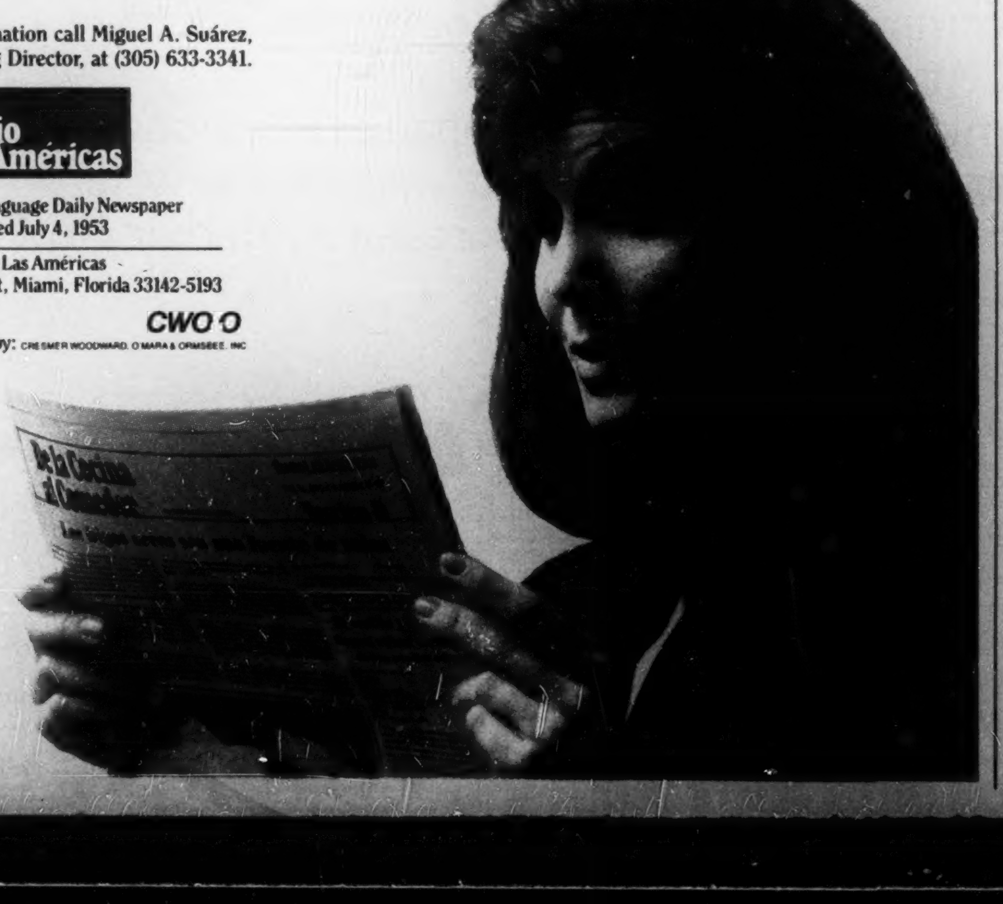
For additional information call Miguel A. Suárez,
Advertising Director, at (305) 633-3341.

Diario Las Américas

The Spanish-language Daily Newspaper
Founded July 4, 1953

Diario Las Américas
2900 N.W. 39th Street, Miami, Florida 33142-5193

CWO O
Represented nationally by: CRESMER WOODWARD, O'MARA & ORMSBEE, INC



1988, about one-third its total sales figure and including all corporate costs it attributes to marketing promotion.

The Mint overwhelmingly favors print, but its use of TV is growing because of an evolving product line with more than 300 items. Says VP-Public Affairs John W. Wilkie, "Franklin Mint is a direct-response company. The mailbox is our business place; the printed page and TV screen our show window."

Coins, stamps and Faberge eggs, which appeal to the connoisseur, appear in magazines, direct mail and inserts. Franklin Mint hooks into TV with products having broad appeal, such as figures of "Gone With the Wind" and "Wizard of Oz" stars.

Franklin Mint spends $84.1 million in print advertising out of a total measured media budget of $90.1 million. Franklin Mint is by far the biggest 1988 spender in newspaper supplements among *AA's* top 200 advertisers with $29.7 million in the medium, up 69.6% from 1987.

Newspapers and TV were limited to ads for books, coins, coin watches and board games. National newspapers got a 69% boost to $5.4 million in 1988.

Ad support for all of the Mint's major lines was up, but none as sharply as for jewelry, which rose 117% to $13.5 million. Sales volume leader for the company was its numismatic product line which received $36.5 million in measured media, up 75%. Porcelain drew $35.8 million in media, up 54%.

who buys
POOLS
IN
PITTSBURGH?
167 Products in 80 MSA's
Call 1-800-OUTLOOK

A prime ad medium for the Mint is its glossy *Almanac* magazine, a bimonthly distributed to more than a million readers, produced in-house. The company has been handling its own print advertising in-house, retaining Griffin Bacal, New York, for TV. But in 1988 the Mint took over its own creative and placement.

THE FRANKLIN MINT
U.S. Route 1
Franklin Center, Pa. 19091
(215) 459-6000

Corporate personnel: Stewart Resnick, chmn.

Marketing personnel: Lynda Resnick, exec vp; Thomas Durovsik, vp-mktg; Gregg Coccari, Kurt Graetzer, vps-adv; Martin Breisblatt, vp-sales; Allan Beer, vp-media; Michael Burgess, vp-media mgmt; Jack Wilkie, vp-public affairs.

Brands/services by agency of record:

Franklin Mint prods

Ad agency: (In-house): Gregg Coccari, Kurt Greatzer, vps-adv.

RANK
37

General Electric Co.

Fairfield, Conn.
ADVERTISING: **$276.6 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	50,089	48,158	4.0
Earnings	3,386	2,915	16.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	46,364	45,160	2.7
Operating income	4,941	3,715	33.0
■ Division sales	**1988**	**1987**	**% chg**
Aerospace	5,3[illegible]	5,262	1.5
Aircraft engines	6,481	6,773	(4.3)
Broadcasting	3,638	3,241	12.2
Industrial	7,061	6,662	6.0
Major appliances	5,289	4,721	12.0
Materials	3,539	2,751	28.6
Power systems	4,805	4,995	(3.8)
Technicals prods, svcs.	4,431	3,670	20.7
GEFS	788	552	42.8
Other	384	3,176	(87.9)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	36,747	37,727	(2.6)
Newsp supp	1,104	952	15.9
Newspaper	29,357	33,121	(11.4)
Outdoor	1,527	1,683	(9.3)
Network TV	42,939	38,356	11.9
Spot TV	10,991	6,419	71.2
Synd TV	50	637	(92.1)
Network cable	1,290	390	231.3
Network Radio	1,948	3,091	(37.0)
Spot radio	1,559	1,022	52.5
Farm pub	0	0	NA
Measured	127,511	123,396	3.3
Unmeasured	149,100	144,300	3.3
Total	276,611	267,696	3.3

Acquisitions and divestitures were common in the 1980s at General Electric as it honed itself from 100 diverse operations to 14 key business areas that are among the world's leaders. Now the company has started to turn to joint ventures as an added strategy.

Alliances in 1988 were linked by GE Lighting with Toshiba of Japan and by GE Motors with Bosch of West Germany, and expanded by GE Electrical Distribution and Control with Fuji.

Earlier this year GE completed a deal with GEC of the U.K. in which the two combined business investments in appliances, electrical distribution equipment and gas turbines. This August, GE entered a joint agreement with Ericsson of Sweden, a telecommunications company, to expand the mobile radio and cellular telephone businesses worldwide.

"GE's intent is not to gobble up big pieces before it knows precisely how things are going to shake out . . . but to learn what's going to go on and then create a base from which you can build," said Mark Altman, first VP, PaineWebber, New York.

The restructuring of GE to concentrate on its 14 core businesses, however, has given the company less of a consumer orientation, which has translated in recent years into less ad spending. This year's 3% increase halts two successive years of declines.

The major reason ad expenditures were up was a near doubling of GE's general promotion ad spending to $38 million. Most divisions reduced measured spending in 1988, according to LNA/Arbitron.

Major appliance spending, where GE is locked in a battle with Whirlpool for the lead in the $16 billion market, dropped 49% to $8.2 million in measured media in 1988.

Spending in media for light bulbs also dropped, according to LNA/Arbitron, but the division's ad budget, handled by BBDO Worldwide, increased to more than $20 million in 1988 from $15 million in 1987. The company has a 50% share of the $1.5 billion consumer bulb market in the U.S. but is under fire from rival Philips Lighting Corp., the worldwide leader in light bulb sales.

The other big spender among GE divisions was NBC. The nation's top-rated network spent $34.6 million in measured media in 1988, down 3.1% according to LNA/Arbitron. The majority of the spending went to magazines.

This year the network tied in with Sears Roebuck & Co. to create an "Instant Stardom" sweepstakes to create excitement surrounding the fall season premiere of new shows and bring viewers back to network TV. Entry forms are submitted at Sears stores. The contest and NBC's fall shows are supported by the network's on-air promotions and in four Sears' circulars this month. CBS-TV is running a similar tie-in with K mart.

The three-network average primetime share of total viewers during the 1988-89 season slipped to 68%. NBC's 16.1 rating was flat compared to the previous year, but was good enough for first place for the fourth year in a row. NBC also won all 30 weeks in the season. As the leader, NBC benefited from an extremely strong upfront market this summer, reaping about $1.6 billion in advance sales. The Big 3 networks and Fox Broadcasting Co. totaled a record $4.2 billion in upfront sales.

Program content on the networks became an issue this year with various groups attempting to organize boycotts of advertisers who bought time in shows deemed "indecent." NBC was under fire for some of its racier TV movies and miniseries, in particular, because it laid off 10 of its 12 broadcast standards division employees as a cost-cutting measure. The network has since added new personnel to the department.

NBC President Robert Wright has taken a leading role in attempts by the three networks to change the existing financial interest and syndication rules that prohibit networks from owning programs or syndicating products in the U.S.

Faced with declining audiences and potential declines in revenues, the network is being driven to seek alternatives. NBC, the same as parent GE, is looking overseas to expand its businesses.

The network purchased 37.5% of Visnews TV for $10 million. Reuters Holdings and the BBC also have major holdings in the service. NBC affiliated with the Australian Television Network, with an option to own a 15% stake, and has a 15% ownership agreement with TV-3, a new network in New Zealand.

Continuing its role as a programmer and a software provider, NBC signed an agreement with Westinghouse Broadcasting to jointly distribute programs from NBC Productions.

NBC paid $137.5 million in December 1988, for 50% of Cablevision Systems' existing cable program services including Bravo, American Movie Classics, News 12/Long Island News Network, SportsChannel America and five regional sports channels. In turn, Cablevision got a 50% interest in NBC's new cable channel, Consumer News and Business Channel, which debuted this April 17 with 13 million subscribers. The cable channel is NBC's first venture into cable, and cost an estimated $65 million in start-up expenses. It is expected to lose money this year.

As part of the deal with Cablevision, NBC will make some of its 1992 Olympic programming from Barcelona, Spain, available to cable TV subscribers through a pay-per-view package.

NBC, which originally anticipated a hefty profit from its coverage of the 1988 Summer Olympic Games from Seoul, Korea, was disappointed with the event's ratings. The cable pay-per-view package could cut NBC's risk and insure a profit in 1992.

GENERAL ELECTRIC CO.
3135 Easton Turnpike
Fairfield, Conn. 06431
(203) 373-2211

Marketing personnel: Richard A. Costello, mgr-corp mktg comm; Barbara J. Parsky, mgr-corp adv; Victor H. Alcott, mgr, GE Appliances adv; Roger R. Waters, mgr, GE Lighting adv; W. Sanford Miller, mgr, GE Capital mktg.

Brands/services by agency of record:

Brand image
Corp adv
Major appliances
Lighting

Ad agency: BBDO, New York: Arnold Ross, mgmt rep-corp mktg & major appliances; Ken Angel, mgmt rep, consumer and industry GE Lighting.

■

GE Capital

Ad Agency: Jordan, McGrath, Case & Taylor, New York: Jack Taylor, exec vp.

NBC Entertainment
New York

Marketing personnel: John D. Miller, sr vp; Tim Miller, vp—adv & promo, East Coast; Paul Wang, vp—program & media planning; John Luma, vp, on-air promo; Maria Goldstein, dir-media planning, adv & promo; Martha Stanville, vp-affiliate adv & promo svcs; Jenness Brewer, vp-print production.

Brands/services by agency of record:

NBC Entertainment

Ad agency: D'Arcy Masius Benton & Bowles, Los Angeles: Jim Helin, mng dir; John Armistead, deputy mng dir, exec creative dir.

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Estimated world advertising expenditures. *The Coen Report 1988.

Top 25 cable TV advertisers

Rank	Advertiser	Cable TV expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Procter & Gamble Co.	$30,202	$23,713	27.4	2.0
2	Time Warner	23,891	19,415	23.1	5.8
3	Philip Morris Cos.	23,075	21,024	9.8	1.1
4	Anheuser-Busch Cos.	21,397	22,943	(6.7)	3.4
5	General Mills	20,011	17,991	11.2	4.3
6	RJR Nabisco	14,252	14,667	(2.8)	1.7
7	Eastman Kodak Co.	11,387	7,989	42.5	1.5
8	Clorox Co.	10,126	6,894	46.9	6.8
9	Mars Inc.	9,995	14,877	(32.8)	2.9
10	Chrysler Corp.	9,700	6,684	45.1	2.0
11	General Motors Corp.	9,201	7,968	15.5	0.7
12	Unilever NV	8,279	4,865	70.2	1.4
13	Gillette Co.	8,226	7,909	4.0	5.1
14	American Home Products Corp.	8,174	7,254	12.7	2.1
15	American Telephone & Telegraph	7,773	6,440	20.7	1.4
16	Bristol-Myers Squibb	7,092	4,790	48.0	1.6
17	Wm. Wrigley Jr. Co.	7,075	6,680	5.9	5.3
18	Levi Strauss Associates	7,055	3,816	84.9	5.7
19	Thompson Medical Co.	7,000	8,374	(16.4)	14.6
20	Dow Jones & Co.	6,378	4,330	47.3	NA
21	American Dairy Association	6,301	2,080	203.0	5.0
22	Ford Motor Co.	6,267	6,118	2.4	1.1
23	Schering-Plough Corp.	6,137	2,870	113.8	2.3
24	Dow Chemical Co.	5,766	2,132	170.5	3.7
25	Charles Schwab & Co.	5,406	3,409	58.6	NA

Note: Dollars are in thousands. **Source:** Leading National Advertisers/Arbitron.

AA chart: Kevin Brown

RANK
19

General Mills

Minneapolis
ADVERTISING: $470.1 MILLION

Sales & earnings

($ in millions)

Worldwide	1988	1987	% chg
Sales	5,621	4,960	12.9
Earnings	414	283	46.3
Division sales	**1988**	**1987**	**% chg**
Consumer foods	3,999	3,668	9.0
Restaurants	1,622	1,312	23.6

U.S. advertising by media

($ in thousands)

Media	1988	1987	% chg
Magazine	18,404	18,779	(2.0)
Newsp supp	530	0	NA
Newspaper	24,689	2,771	790.9
Outdoor	295	877	(66.4)
Network TV	137,450	133,724	2.8
Spot TV	145,945	135,805	7.5
Synd TV	5,715	5,897	(3.1)
Network cable	20,011	17,991	11.2
Network Radio	5,809	2,473	134.9
Spot radio	1,212	1,060	14.3
Farm pub	0	0	NA
Measured	360,058	319,377	12.7
Unmeasured	110,000	136,900	(19.6)
Total	470,058	456,277	3.0

Business restructuring is a major focus at General Mills, which in May 1988 sold its last specialty retail units, Eddie Bauer and Talbots, to focus on its consumer foods and restaurants divisions.

In fiscal 1989, General Mills closed all York Steak House retaurants, resulting in a loss of $27.3 million. The company's frozen novelties division, Vroman Foods, was sold in June 1989, resulting in a loss of $26 million.

General Mills' Big G cereals achieved a 24.6% annual dollars share of the $6.3 billion ready-to-eat cereals market based on sales of $1.4 billion, up 21%. Advertising across all brand lines totaled $209.6 million, up 27.1%.

For the second consecutive year, Cheerios received the most measured spending of any General Mills cereal—$50.2 million, up 52%. To capitalize on consumer interest in oat bran and strengthen market share, General Mills invested $10 million in a TV and print campaign from Saatchi & Saatchi Advertising, New York.

The company also rolled out Apple Cinnamon Cheerios, which completed nationwide distribution in February 1989, becoming Big G's best-selling new brand since Honey Nut Cheerios. Combined dollar volume market share for the three Cheerios products in fiscal 1989 was over 8%, according to John C. Maxwell Jr., analyst with Wheat First Securities.

Total Raisin Bran, newest member of the Total line, completed national distribution in April 1989 with an introductory $28.7 million ad budget. Kellogg's Raisin Bran commands a 3.5% market share in dollar volume while General Foods USA's Post Raisin Bran has 2.0%.

The company has committed $25 million in advertising to launch Benefit cereal. Ads cite a General Mills study showing cholesterol reductions of 9% with a diet using the cereal.

The oat bran craze sweeping the country has affected the hot cereal market where industry sales reached $730 million, compared to $500 million a year ago. Big G completed its second year in the market with a 9.0% combined share for its Total Oatmeal and Total Oatmeal Swirlers.

General Mills held a dominant 65% share of the $305 million add-meat dinner mix market and increased its measured ad spending 17.4% to $10.8 million for its Betty Crocker Hamburger Helper line. It maintained the lead in the $390 million family flour market with its oldest consumer product, Gold Medal flour.

The Betty Crocker line drew $37.4 million in advertising in 1988, down about 29%, according LNA/Arbitron. In February 1989, General Mills moved $26.9 million in measured spending to DDB Needham Worldwide, Chicago, from Campbell-Mithun-Esty, Minneapolis. Assignments included Betty Crocker Potato Medleys and Microwave Potatoes (General Mills holds 60% of the $133 million specialty potato mix market) and Suddenly Salad (General Mills holds 55% of the $73 million dry-packaged salads market).

General Mills held solid No. 2 market positions in the $1.1 billion yogurt market with Yoplait at 21%, up 4 share points (Dannon has 25%); and a 21% market share for Pop Secret in the microwave popcorn segment behind Orville Redenbacher's 28.3%. The company introduced Yoplait Light with NutraSweet this February with an estimated $25 million national TV campaign from DDB Needham Worldwide, Chicago. Print and FSIs support.

Red Lobster Inns Restaurant, with 444 restaurants in 38 states, can now make efficient use of network TV advertising. Network spending in 1988 grew 6.8% to $39.5 million out of total Red Lobster media spending of $50.8 million, up 5.2%, according to LNA/Arbitron. Olive Garden continues to beef up, adding another 53 units to bring its total to 145 in 22 states. Another 50 are planned in 1990 in more than 20 new markets. Its national media spending remains nominal.

GENERAL MILLS
Number One General Mills Blvd.
Minneapolis, Minn. 55426
(612) 540-2311

Corporate personnel: H. Brewster Atwater, chmn-ceo; F. Caleb Blodgett, vice-chmn, cfo; Arthur Schulze, vice chmn; Mark H. Willes, president-coo; Joe R. Lee, president, General Mills restaurants; Steven Rothchild, president, convenience & intl foods; Michael E. Cashmore, president, Sperry div; David D. Murphy, president, Betty Crocker prods; Stephen W. Sanger, president, Big G div; Edward K. Bixby, president, comsumer foods.

Marketing personnel: Donald L. Knutzen, vp-genl mgr, mktg svcs; Robert J. Blake, dir-adv svcs, consumer foods.

Brands/services by agency of record:

Grocery
Military

Ad agency: Bozell Inc., Minneapolis: Eric Forslin, vp-acct super; Ron Oakland, creative dir; George Scott, media planner.

■

Cinnamon Toast Crunch
Oatmeal Raisin Crisp
S'mores Grahams
Nature Valley prods
Pop Secret
New prods

Ad agency: Campbell-Mithun-Esty, Minneapolis: Tom Hanft, exec vp-acct svcs, Big G; Les Mouser, mgmt super, Betty Crocker, Nature Valley.

■

Crispy Wheats 'n Raisins
Golden Grahams
Betty Crocker dessert mixes
Betty Crocker potatoes
Bisquick
Bac-Os
Wheaties
Hamburger, Chicken, Tuna Helper
Yoplait yogurt brands
Oriental Classics
Suddenly Salad
New main meals
New instant meals

Ad agency: DDB Needham Worldwide, Chicago: Kirk Borland, group acct dir; Peter Kuntz, mgmt rep, Betty Crocker, Yoplait; Bob Klein, mgmt rep, Big G.

■

Red Lobster Inns
Olive Garden

Ad agency: Grey Advertising, New York: Jordan Rosuck, exec vp, Red Lobster; Stew Hegleman, exec vp-mgmt rep, Olive Garden.

■

Gorton's fish
Market Fresh

Ad agency: Laurence, Charles, Free & Lawson, New York: Carev Purcell, vp-mgmt super; Pam Schreiber, acct exec.

■

Food service
Bakery flour

Ad agency: Harris & West Advertising, Bloomington, Minn.: Dennis Gallagher, genl acct super; Andy Martin, acct exec, food service; Kevin Deshler, acct exec, Bakery flour.

■

Cheerios
Clusters
Cocoa Puffs
Fiber One
Honey Nut Cheerios
Apple Cinnamon Cheerios
Benefit
Kix
Lucky Charms
Monsters cereals
Raisin Nut Bran
Total
Total Raisin Bran
Total Oatmeal
Total Oatmeal Swirlers
Gold Metal flour
Gold Metal whole wheat blend flour
Fruit Roll-Ups
Swirl bars
Wrinkles
New prods

Ad agency: Saatchi & Saatchi Advertising, New York: Michael Burns, mgmt dir; Anne Altmaier-Adriance, David Jackson, mgmt supers.

■

Betty Crocker pancake mix
Wheat Hearts hot cereals

Ad agency: Saatchi & Saatchi Advertising, San Francisco: Brian Burns, mgmt dir; Charles Skuba, mgmt super.

■

Gorton's seafood, special assignment

Ad agency: Wattenmaker Inc., Cleveland: James S. Wattenmaker, acct mgr.

RANK
3

General Motors Corp.

Detroit
ADVERTISING: $1,294.0 MILLION

Sales & earnings

($ in millions)

Worldwide	1988	1987	% chg
Sales	123,642	114,870	7.6
Earnings	4,856	3,551	36.8
U.S.	**1988**	**1987**	**% chg**
Sales	91,260	86,681	5.3
Operating income	1,752	1,702	2.9
Division sales	**1988**	**1987**	**% chg**
Automotive	97,438	89,613	8.7
Financing & insurance	10,665	10,921	(2.3)
Other	12,285	11,745	4.6

U.S. advertising by media

($ in thousands)

Media	1988	1987	% chg
Magazine	190,799	153,926	24.0
Newsp supp	12,233	7,789	57.1
Newspaper	86,835	83,841	3.6
Outdoor	2,997	1,989	50.6
Network TV	443,402	272,953	62.4
Spot TV	115,286	103,522	11.4
Synd TV	6,054	6,147	(1.5)
Network cable	9,201	7,968	15.5
Network Radio	38,255	18,906	102.3
Spot radio	40,185	34,829	15.4
Farm pub	3,648	3,355	8.7
Measured	948,895	695,224	36.5
Unmeasured	345,105	270,776	27.5
Total	1,294,000	966,000	34.0

General Motors Corp.'s share of the U.S. car market declined for the fourth straight year in 1988, but the company is staying on track with its long-range plan to develop distinct images for its five car divisions.

Buick, Cadillac, Chevrolet, Oldsmobile and Pontiac divisions all are planning to keep their same ad theme lines in 1990, an indication that company officials believe that products now in development will provide the eventual "proof" of the marketing messages.

Improved earnings were attributed to programs aimed at bringing costs under control, but U.S. profits would have been even stronger except for continued heavy reliance on consumer incentives to move inventory.

Worldwide factory sales of vehicles reached 8,108,000, up 4.4% from 1987. In the U.S., GM sold 3,822,014 cars, a 2.5% increase, and 1,689,406 light-duty trucks, an increase of 13.8%.

GM's U.S. car share was 36.08% in 1988, compared to 36.47% in 1987. Buick's share of the market was 5.49%, up from 5.45% in 1987; Cadillac fell to 2.52%, from 2.56%; Chevrolet declined to 13.97%, from 14.67%; Oldsmobile fell to 6.75%, from 6.99% and Pontiac rose to 7.36%, from 6.80%. In the light-truck market, Chevrolet and GMC Truck combined grabbed 34.7%, up 2.5 points from the previous year.

It became clear in 1988 that GM was adjusting to the reality that it could no longer dictate the market to its competitors or consumers. The company's car market share was 44.5% in 1984, before beginning its continuous slide. The significant increase in ad spending in 1988 reflected a decision to pour money into new-product launches and into troubled divisions.

In 1988, GM boosted Buick spending 51.3% to $118.3 million; Cadillac by 56.1% to $48.4 million; Chevrolet by 16.6% to $178.1 million; Oldsmobile by 98.7% to $139.5 million and Pontiac by 62.2% to $94.9 million.

GM spent $112 million in measured media in the first six months of 1988 to launch three new mid-size coupes, Oldsmobile Cutlass Supreme, Buick Regal and Pontiac Grand Prix. The introduction of the mid-size Chevrolet Lumina sedan in April 1989 was accompanied by an estimated $70 million ad and promotions blitz that used Walt Disney Co.'s animated characters in a tie-in to the new Disney/MGM Studios theme park in Orlando, Fla.

The most troubled brands are Buick and Oldsmobile. Almost all of GM's lost sales in the last four years have been traced to the two big-volume aspiration nameplates. For the 1989 model year, Oldsmobile's ad budget was boosted to $140 million, up 40%. Celebrities and their siblings touted the car as the "New generation of Oldsmobile" that is "not your father's Oldsmobile."

Buick in the 1989 model year rode forth as a premium motorcar to the theme, "The great American road belongs to Buick." Academy Award-winning best picture "Rain Man," featuring a 1949 Buick Roadmaster convertible, led Buick to sponsor the videocassette release, which included a specially-created 90-second spot.

Chevrolet continued to use "The heartbeat of America" theme. It also established Geo, the nameplate given cars and trucks marketed by GM but made by its Japanese-based partners Isuzu, Suzuki and Toyota.

Pontiac drove into third place in overall industry car sales, behind only Ford and Chevrolet, as it stuck with "We build excitement" for the eighth consecutive year. The division focused much of its 1988 advertising on the Grand Prix, named *Motor Trend* magazine's Car of the Year.

For the 1989 model year, Cadillac reversed its downsizing trend by lengthening De Ville by six inches and Fleetwood by nine. "The only way to travel is Cadillac style" remained the theme.

GMC Truck advertising, themed, "It's not just a truck any more," dropped TV in the 1989 model year, shifting an estimated $15 million to other media, primarily print.

Saturn Corp. picked creative hotshop Hal Riney & Partners as agency in May 1988, more than two years before its first model was to be introduced. The first ads could come this fall.

Chevrolet and GMC boosted regional marketing power by initiating a 1% mandatory ad charge on dealer invoices in the 1989 model year. The money was returned to dealer ad groups and individual dealers. Oldsmobile and Cadillac planned to follow suit in the 1990 model year.

Oldsmobile, Pontiac and Buick were expected to give heavy ad backing in the 1990 model year to new mid-size sedans entering their lineups. Chevrolet, Pontiac and Oldsmobile also will put emphasis on a new line of minivans, but the biggest backing probably won't come until spring, when plants are expected to be running near capacity.

GENERAL MOTORS CORP.
3044 W. Grand Blvd.
Detroit, Mich. 48202
(313) 556-5000

Corporate personnel: J.W. McNulty, vp-pr; G.H. Pruette Jr., dir-public affairs adv; Hugh Wells, mgr-creative svcs.

Brands/services by agency of record:

Corp adv

Ad agency: N W Ayer, Detroit: Louis Hagopian, chmn; Jerry Siano, president-ceo; Dominick Rossi, exec vp, dir-natl operations; Patrick Cunningham, exec vp-chief creative officer; Robert Kingsbury, sr vp-mng dir; Richard Prince, sr vp-mgmt super; Randall Schroeder, sr vp-media dir; R.C. Morrison, vp-mgmt super; Deborah Worrell, vp-acct super; David Wozniak, sr acct exec; Dennis McMillan, asst acct exec.

Allison Gas Turbine Division
Indianapolis

Marketing personnel: F. Blake Wallace, genl mgr; W.C. Campbell, dir-comm; A.A. Perona, mgr-pr & adv; D.A. Raflo, coord, pr & adv.

Brands/services by agency of record:

Allison Gas Turbine div

Ad agency: Martin Agency, Richmond, Va.: Harry Jacobs, chmn; Mike Hughes, vice chmn; Don Just, president; Tom Robinson, sr vp; Glenn Allenbaugh, sr acct exec; Shirley Bricker, mgr-media operations.

Allison Transmission Division
Indianapolis

Marketing personnel: R.M. Clark Jr., genl mgr; Arthur Tregenza, dir-personnel & pr.

Brands/services by agency of record:

Allison Transmission div

Ad agency: Advertising Illustration, Southfield, Mich.: Curt Weskalnies, president.

Buick Motor Division
Flint, Mich.

Marketing personnel: E.H. Mertz, genl mgr, GM vp; R.E. Coletta, genl sales & serv mgr; W.E. Powell, asst genl sales mgr-admin & DAC; J.J. Farber, asst genl sales mgr, southeast; W.K. Ramsey, asst genl sales mgr, west; F.H. Dorgis, asst genl sales mgr, northeast; L.D. Robbins, asst genl sales mgr, sec; D.E.

Clark, genl mktg mgr; J.W. Qualman, genl dir-adv; J.E. DeCou, dir-pr.

Brands/services by agency of record:

Buick Motor div

Ad agency: McCann-Erickson, New York: Robert James, chmn-ceo.

McCann-Erickson, Troy, Mich.: Gerald Atkin, exec vp-genl mgr; Richard Hill, sr vp-mgmt rep; James Ramsey, sr vp-exec creative dir; Glynn Armitage, vp-acct super, adv support group; Harold Randall, vp-acct super, collateral group; Garry Nielsen, vp-group creative dir, natl; George Bak, vp-group acct super; Paul Johnson, vp-assoc rsch dir; Robert Cleary, acct super; Robert Schneider, John Holowaty, acct execs.

Cadillac Motor Car Division
Detroit

Marketing personnel: John Grettenberger, genl mgr, GM vp; Peter Gerosa, genl sales & svc mgr; Karl Pierce, asst genl sales mgr, admin; Carver Hendrix, asst genl sales mgr, field; William Lewellen, asst genl sales mgr, svc; Ellie Torre, asst genl sales mgr-mktg; Peter Levin, dir-adv; Larry Anderson, asst mgr, dealer mktg assoc, East; Mike Washington, asst mgr, shows & exhibits; Jerry Churchvara, asst mgr, dealer mktg assoc, West; Fred Teach, asst mgr-adv; William O'Neill, dir-pr.

Brands/services by agency of record:

Cadillac Motor Car div

Ad agency: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.: Ronald Monchak, mng dir; Robin Smith, dept mng dir; Alexander Morton III, exec vp-mgmt super; George Rogers, sr vp, dir-media svcs; John Klinger, vp-group creative dir; John Johnson, vp-group acct super; Timothy Copacia, vp-acct super; Gretchen Snow, dir-regular mktg programs; Patrick McCarthy, ceo, Intergroup Marketing & Promotions; Count Darling, mng dir-ceo, Intergroup Marketing & Promotions; William Haney, sr vp, dir-acct devel; Roger Bailey, vp-acct super, CDMA; Jo Bourjaily, vp-mng dir, pr.

Central Foundry Division
Saginaw, Mich.

Marketing personnel: George Johnston, genl mgr; Gerald Frost, sales, mktg & strategic planning mgr, engine systems SBU; Richard Tardy, sales, mktg & strategic planning mgr, chassis & transmission systems SBU; Michael Baker, mgr-mktg & strategic planning; Gerald Holmes, dir-public affairs; James Hagedon Jr., asst dir-public affairs.

Brands/services by agency of record:

Central Foundry div

Ad agency: Creative Marketing, Traverse City, Mich.: Carl Zotter, acct rep.

Chevrolet Motor Division
Warren, Mich.

Marketing personnel: J.C. Perkins, genl mgr, GM vp; R.W. Starr, genl sales & svc mgr; M.H. Erdman, genl mktg mgr; R.F. Sobrero, sales mgr, admin; E.K. Roggenkamp, asst genl sales mgr, field; F.F. Raine, mktg mgr, trucks; S.D. McAvoy, mktg mgr, cars; Dannielle Colliver, mgr-car adv; C.M. Robbins, mgr-truck adv; R.J. Kramer, dir-pr.

Brands/services by agency of record:

Chevrolet Motor div

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: R.D. O'Connor, chmn-ceo, vice chmn, Lintas:USA; P.A. Dow, president-coo; L.M. Schultz, exec vp, dir-media svcs, Lintas:USA; Jan Homan, exec vp, strategic planning, Lintas:USA; William Ludwig, exec vp, co-dir, creative; A.J. Hopp, exec vp-acct dir; T.A. Thomson, sr vp-group mgmt super, cars; Frank Fraser, vp, dir-auto mktg; Bradley Tisdale, sr vp-mgmt super, merch; D.G. Connaughton, sr vp-group mgmt super, trucks.

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Chevrolet regional adv/West

Ad agency: Vic Olesen & Partners, Culver City, Calif.: Victor Olesen, president-partner; Irwin Davis, Eric Davison, William Donaldson, partners; Eric von der Lieth, genl mgr-partner; Lee Wilson, media dir.

Delco Electronics Corp.
Kokomo, Ind.

Marketing personnel: Donald Almquist, chmn & president-ceo; T.W. Evernham, dir-engineering & mktg; David Bastin, asst genl sales mgr-mktg & ventures; William Draper, dir-public affairs.

Brands/services by agency of record:

Delco Electronics Corp.

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Robert (Ham) Schirmer, exec vp, dir-client svcs; Deborah Karnowsky, exec vp, co-creative dir; Dennis Connaughton, sr vp-mgmt super; Robert Hrtanek, vp-acct super; James Arthur, group sr vp-creative dir; John Hartgen, sr vp-assoc creative dir; Robert Gervason, sr vp-assoc media dir; James Plagens, media planning super; John Farsakian, sr vp, dir-rsch; James Huchok, sr vp, mgr-strategic planning; Robert Rosell, exec vp, admin & planning; Louis Bridenstine Jr., sr vp-genl counsel.

Delco Systems Operations
Goleta, Calif.

Marketing personnel: Robert McMillin, genl dir; Elena Sanchez, mgr-adv & exhibits.

Brands/services by agency of record:

Delco Systems Operations

Ad agency: Lintas:Campbell-Ewald, Los Angeles, Calif.: Ross Morgan, vp-acct super.

Delco Moraine NDH Division
Dayton, Ohio

Marketing personnel: Robert Wright, genl mgr; D. Dale Lewis, dir-div mktg, planning & joint ventures; David Darnell, genl dir, personnel & pr; James Conley Jr., dir-mktg & planning.

Brands/services by agency of record:

Natl adv

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Jeffrey Jacobs, sr vp-mgmt svcs; David Woodard, sr acct exec.

Delco Products Division
Dayton, Ohio

Marketing personnel: Gerald Collins, genl mgr; William Bender, dir-sales & mktg; Robert Chandler, genl dir-personnel & pr; Charles Kronbach, div mgr-comm & pr; Richard Westfall, mgr-sales promo & adv; Richard Lee, sales mgr, suspension systems; Chester Pardee, sales mgr, wiper systems; Bruce Sing, mktg mgr.

Brands/services by agency of record:

Delco prods

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Robert (Ham) Schirmer, exec vp; Michael Brogan, Jeff Jacobs, vps; Kelly Greenwald, acct exec.

Delco Remy Division
Anderson, Ind.

Marketing personnel: Homi Patel, genl mgr; T.F. Tierney, dir, technology & mkt devel; S.R. Ring, mgr-adv & prod svc; K.D. Collins, super-adv & media relation; K.J. Pitcher, dir-pr.

Brands/services by agency of record:

Delco Remy Division

Ad agency: Lintas:Campbell-Ewald, Warren, Mich: Jeffrey Jacobs, sr vp-mgmt super; Michael Brogan, vp-sr acct exec, intl coord; Kelly Greenwald, acct exec.

Electro-Motive Division
La Grange, Ill.

Marketing personnel: John Jarrell, genl mgr; J.P. Cregan, genl dir, personnel & pr, locomotive group; C.J. Liszka, staff asst-pr & adv.

Brands/services by agency of record:

Electro-Motive div

Ad agency: Martin Agency, Richmond, Va.: David Martin, chmn; Donald Just, president; R. Glenn Allenbaugh, sr acct exec.

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PR for

Electro-Motive div

Ad agency: Burson-Marsteller, Chicago: F.J. Green, client svc mgr.

General Motors Acceptance Corp.
Detroit

Marketing personnel: J.R. Edman, chmn; G.R. Samardich, vice chmn; R.M. McCarthy, president; W.J. Lovejoy, group vp-mktg; G.G. Fenner, exec vp-operation; C.A. Krauss Jr., vp-public affairs & adv.

Brands/services by agency of record:

General Motors Acceptance Corp.

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Jeffrey Seregny, sr vp-group mgmt super; Michael Tuite, sr vp.

GMAC Mortgage Corp.
Elkins Park, Pa.

Marketing personnel: V.H. Schlesinger, chmn; G.C. Thomas, vice chmn; J.J. Reed, president; R.A. Gillespie, dir-pr & adv.

Brands/services by agency of record:

GMAC Mortgage Corp.

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Robert (Ham) Schirmer, exec vp-dir client svcs; Jeffrey Seregny, sr vp-group mgmt super; Michael Tuite, sr vp.

GMC Truck Division
GMC Truck & Bus Group
Pontiac, Mich.

Marketing personnel: John Rock, genl mgr; Ray Rota, genl sales mgr; Rick Lee, dir-mktg; Donald Huss, group dir-pr; Frank Cronin, dir-pr; Sandra Dellinger, adv & publications mgr.

Brands/services by agency of record:

GMC Truck div

GMC Truck & Bus Group

Ad agencies: McCann-Erickson, Troy, Mich.: Robert James, chmn-ceo.

McCann-Erickson, New York: Gerald Atkin, exec vp-genl mgr; Michael Wilberding, sr vp-mgmt super; James Ramsey, sr vp-exec creative dir; Jan Woznick, sr vp, dir-mktg svcs; Glenn Sutherland, sr acct exec; Patrick Simmons, vp-acct super, light trucks; Paul Basil, acct super, medium duty; Paul Murray, assoc media dir; Barbara Gaston, vp-pr; Noel Doran, rsch dir.

GM Hughes Electronics Corp.
Detroit

Marketing personnel: Robert Schultz, chmn & president; J. Bruce McCristal, dir-public affairs.

Brands/services by agency of record:

GM Hughes Electronics Corp.

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Edwin Acker, sr vp-media dir; John Hartgen, sr vp-creative group head; Harold Margolis, group sr vp, strategic planning & rsch; Michael Tuite, sr vp-mgmt super.

Hughes Aircraft Co.
Los Angeles

Marketing personnel: Malcolm Currie, chmn-ceo; Donald White, president; Lucius Gregg, staff vp-corp comm; Alma Gonzalez, mgr-corp adv.

Brands/services by agency of record:

Hughes Aircraft Co.

Ad agencies: D'Arcy Masius Benton & Bowles, Los Angeles: Jim Helin, mng dir; Andy Bielanski, exec vp-acct group dir; Mark Detrick, vp-mgmt super; Brooke Sloate, asst acct exec; Rebecca Chow, acct coord; David Blain, acct secretary; John Armistead, dept mng dir-exec creative dir; Jeff Weekley, vp-assoc creative dir; Pieter Drolband, vp-assoc creative dir.

Bernard Hodes Advertising, Encino Calif.: Marion Starr, exec vp-branch mgr; Debbie Sovcek, Dave Evans, vp-mgmt supers; Flo Stevens, sr acct coord; Sharon Cobley, acct coord; Steve Mitchell, vp-creative dir; Bob Prado, sr art dir; Chris Rubbie, vp-media & strategic planning.

Hughes Communications
Los Angeles

Marketing personnel: Stephen Petrucci, president-ceo; Penelope Longbottom, dir-adv & public affairs; Linda Pierson-Kahn, mgr-mktg comm.

Brands/services by agency of record:

Hughes Communications

Ad agency: Spring, O'Brien, House, New York: Edgar Jay House, president; Gary McKee, vp-creative dir; George Bradley, copy chief; Gloria Kestenbaum, mktg & media dir.

GM Corp. Marketing & Product Planning Staff
Detroit

Marketing personnel: J.B. Fitzpatrick, vp-mktg & prod planning; Philip Guarascio, exec dir-adv & strategic merch; D.J. Teasdale, dir-adv operation; H.D. Weed, dir-consumer influence operations; M.A. Browner, genl dir-media operations; M.J. O'Malley, genl dir, strategic merch & mktg; D.P. Bolen, asst adv mgr; K.M. Smagacz, adv super.

Brands/services by agency of record:

Marketing & product planning staff

Ad agencies: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.: Ronald Monchak, mng dir; Theodore Teegarden, exec vp-mgmt super; William Mara, vp-acct super; Stephen Kopcha, exec vp-creative dir.

Mingo Group, New York: Frank Mingo, chmn-ceo; Samuel Chisholm, president-coo; Allan Corwin, sr vp-creative dir; William McGugins, vp-mgmt super.

GM Service Parts Operations
Detroit

Marketing personnel: A.M. Long, exec in charge; R.J. Sherman, genl dir-US sales & mktg; D.P. Robison, dir-mktg; D.E. Poole, dir-pr.

AC-Delco
Detroit

Marketing personnel: A.H. Schwerzel, genl sales mgr, warehouse distributors; G.S. Cashion, genl sales mgr, natl accts; W.A. Carlson, adv & sales promo mgr; D.J. Smith, mktg mgr.

Brands/services by agency of record:

GM Service Parts Operations

Ad agencies: Lintas:Campbell-Ewald, Warren, Mich.: Robert (Ham) Schirmer, exec vp, dir-client svcs; Jeffrey Jacobs, sr vp-mgmt super; Robert Hartanek, acct super; Phillip Ruffino, Bruce Horner, acct execs.

Lintas:Ceco Communications, Warren, Mich.: John Moneyer, group sr vp, group dir-mktg comm; Barbara Bain, sr vp-acct dir, mktg comm; Robert Greer, Paul Curtis, vps-acct supers, mktg comm.

GM Parts
Detroit

Marketing personnel: J.T. O'Connor, genl sales mgr; E.J. Carey, sales mgr, East; S.D. Segalini, sales mgr, Central; E.L. Schreitmueller, sales mgr, West; K.F. Robinson, adv mgr; F. Pardo, mktg mgr.

Brands/services by agency of record:

GM Parts

Ad agency: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.: John Bowmen, chmn-coo; Ronald Monchak, mng dir; Theodore Teegarden, exec vp-mgmt super; Charles Brandt, vp-group acct super; Cheryl Morgan, John Ottman, acct execs.

Harrison Radiator Division
Lockport, N.Y.

Marketing personnel: Thomas Stokes, genl mgr; David Drury, genl dir-allied program mgmt; Katherine Benoit, pr admin; Gordon White Jr., genl dir, personnel & pr.

Brands/services by agency of record:

Harrison Radiator div

Ad agency: Leo Burnett USA of Michigan, Southfield, Mich.: John C. Ryan, exec vp-genl mgr.

Motors Insurance Corp.
Detroit

Marketing personnel: J.R. Edman, chmn-ceo; J.J. Pero, president; G.S. Barquist, vp-mktg & devel; C.A. Krauss Jr., vp-public affairs & adv.

Brands/services by agency of record:

Motors Insurance Corp.

Ad agency: Lintas:Campbell-Ewald, Warren, Mich.: Deborah Karnowsky, exec vp, co-creative dir; Robert (Ham) Schirmer, exec vp, dir-client svcs; Jeffrey Seregny, sr vp-group mgmt super; Michael Tuite, sr vp.

Oldsmobile Division
Lansing, Mich.

Marketing personnel: J.M. Losh, genl mgr, GM vp; A.R. Buenz, dir-pr; D.E. Lahti, genl sales & svc mgr; C.E. Strong, exec asst to genl sales & svc mgr; W.E. Christell, genl mktg mgr; R.L. Ross, dir-field & consumer mktg; R.J. Billings, strategic mktg mgr; G.W. Card, adv mgr; J.J. Zabor, sales prom mgr.

Brands/services by agency of record:

Oldsmobile div

Ad agency: Leo Burnett Co. of Michigan, Southfield, Mich.: G. Ted Jordan Jr., sr vp-client svcs dir; N.R. Lichtman, vp-acct dir; W.E. Morden Jr., vp-creative dir; R.J. Wisniewski, vp-media dir; R.M. Abell, vp-acct dir.

Pontiac Division
Pontiac, Mich.

Marketing personnel: John Middlebrook, genl mgr, GM vp; Ruth Dutton, dir-Project 21 implementation; David Hansen, dir-mktg & prod planning; Kirklin Holboth, mgr, personnel admin; John Loech, dir-fleet sales; E.H. Smith, dir-mktg; Charleen Curry, mgr, customer assistance; T.J. Maloney, mgr-natl dealer adv; John Orth, mgr-merch; Robert Hawley, mgr-mktg comm; Edward Lechtzin, dir-pr.

Brands/services by agency of record:

Pontiac div

Ad agency: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.: Ronald Monchak, mng dir; Robin Smith, dept mng dir; Stephen Kopchas, exec vp-exec creative dir; Mark Gjovik, sr vp-mgmt super; Mike Valant, vp-group acct super; Art Pepin, acct super; Richard Halladay, sr acct exec; James Holman, acct exec, Los Angeles; John Miutz, acct exec; John Greening, sr vp, dir-strategic planning; Charles Stannard, sr vp, dir-rsch & mktg; George Rogers, sr vp, dir-media svcs; Robert Brownell, vp, dir-production & traffic; Ronald Wroblewski, vp, corp spot broadcast; Noel Nauber, sr vp-group creative dir; Paul Stawski, Mark Zapico, vps-assoc creative dirs.

Saginaw Division
Saginaw, Mich.

Marketing personnel: James Ault, genl mgr; Allen Williams, mgr-mktg comm; Gerald Holmes, dir-public affairs.

Brands/services by agency of record:

Saginaw div

Ad agency: Leo Burnett Co. of Michigan, Southfield, Mich.: G. Ted Jordan Jr., sr vp-client svcs dir; W.E. Morden Jr., vp-creative dir; N.R. Lichtman, vp-acct dir; Robert Wisniewski, vp-media dir; Karen Campbell, media super.

Scott Miller Group: Thomas Leinberger, president; Randall Young, vp-creative dir; Terry Grenell, vp-mktg dir.

Saturn Corp.
Troy, Mich.

Marketing personnel: Richard LeFauve, president; Donald Hudler, vp-sales, svc & mktg; Thomas Whaver, dir-mktg svcs; James Lewandowski, vp-human resources; Bruce MacDonald, vp-corp comm; Laurie Kay, dir-corp comm, Tennessee Operations.

Brands/services by agency of record:

Saturn Corp.

Ad agency: Hal Riney & Partners, San Francisco: Hal Riney, chmn-ceo.

RANK
59

Gillette Co.

Boston

ADVERTISING: $160.5 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	3,581	3,167	13.1
Earnings	269	230	16.8
■ U.S.	**1988**	**1987**	**% chg**
Sales	1,251	1,166	7.3
Operating income	230	206	11.7
■ Division sales	**1988**	**1987**	**% chg**
Blades & razors	1,147	1,031	11.3
Toiletries & cosmetics	1,019	926	10.1
Stationery prods	385	320	20.2
Braun prods	824	703	17.2
Oral-B prods	202	183	10.1
Other	5	4	14.6

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	15,337	10,579	45.0
Newsp supp	353	0	NA
Newspaper	2,845	41	6,873.5
Outdoor	340	46	632.8
Network TV	46,540	29,862	55.7
Spot TV	5,243	5,512	(4.9)
Synd TV	6,415	9,714	(34.0)
Network Cable	8,226	7,909	4.0
Network radio	428	1,399	(69.4)
Spot radio	115	340	(66.1)
Measured	85,852	65,432	31.2
Unmeasured	74,600	56,800	31.3
Total	160,452	122,232	31.3

Gillette Co., looking to strengthen its dominance in the $2.4 billion worldwide razor and shaver market, is focusing on its highly-profitable blade-and-razor systems at the expense of its disposable razors.

Following a narrow victory in a proxy contest that kept it independent from suitor Coniston Partners, Gillette came out slugging in December with an $80 million pan-Atlantic campaign for its Atra Plus lubricating razor system. The product, called Contour Plus in Europe, is Gillette's only ad-supported razor system in 1989.

The year-long, multimedia campaign for Atra Plus ended a two-year stall forced on by a series of takeover attempts that distracted management and drained both financial and human resources.

The takeover battles, saddling the company with $2 billion in debt, precipitated a restructuring that included the closing and consolidation of several domestic and international operations as well as extensive layoffs.

With most of the cost-cutting efforts behind it, the Boston-based company, which reduced ad spending in 1987, poured big bucks back into its ad budget in 1988. Measured media jumped about 32% in 1988 to over $85 million, according to LNA/Arbitron.

The massive Atra Plus campaign that stresses Gillette's shaving heritage not only proves Gillette's commitment to systems but also is designed to rebuild its image and win back younger consumers.

Gillette boosted its overall ad budget for shaving systems 45.5% in 1989 to $80 million. Another $90 million will go to promotional activities, with $10 million in ad spending in 1989 for disposables.

Gillette's only media-supported disposable is the women's Daisy Plus, a mid-1988 launch. It received a $10 million marketing budget.

Gillette is clearly banking on the "plus" market--razors that feature lubricating strips—evidenced by the phasing out of the original Daisy razor, a "plus" line extension to Good News! men's disposables and the spending surge behind Atra Plus.

Tiny competitor Wilkinson Sword USA also looked to the "plus" market to cut into Gillette's 65% share of the wet-razor market by launching in early 1989 the Ultra Glide system with a commercial that claimed superiority over Atra Plus. Gillette got an injunction against Wilkinson to stop the Ultra Glide commercial.

Gillette will introduce in 1990 what it calls a "revolutionary" shaving system, its first new shaving system in a decade. Gillette said the marketing muscle behind the new product will top $100 million.

In early 1988, Gillette boosted its ad budget for deodorants/antiperspirants by 50% to $30 million. The increase was partly to support line extensions for brands like Dry Idea and Right Guard that were experiencing market share declines. Right Guard Sport Stick, touted in commercials by sport stars like Brian Bosworth and Marvelous Marvin Hagler, got about $12 million in ad support during 1988, according to LNA/Arbitron. Dry Idea for Men got $3 million.

In the haircare segment, Gillette introduced Epic Waves in January 1989 backed by $13 million in advertising. Also in January, it relaunched Silkience shampoos and conditioners with a $20 million ad campaign, marking the first ad effort for the brand in two years.

N W Ayer, New York, in early 1988 became Gillette's No. 2 agency, behind BBDO Worldwide, when it won the Silkience, new haircare products and $25 million pan-European Aapri apricot facial scrub accounts. Foote, Cone & Belding/Europe, London, had previously handled. Gillette, in August 1988, also shifted its Myoko skincare product line to Ingalls, Quinn & Johnson, Boston, after Hill, Holliday, Connors, Cosmopulos resigned the account.

GILLETTE CO.
Prudential Tower Building
Boston, Mass. 02199
(617) 421-7000

Advertising Services Division

Marketing personnel: Michael Nadelberg, vp-adv svcs; Thomas Lux, media dir; John Walp, dir-adv production.

Shaving Group

Marketing personnel: Peter Hoffman, vp-mktg, systems; Bruce Cleverly, vp-mktg, disposables.

Shaving Division

Marketing personnel: Michael Caner, vp-business mgmt.

Brands/services by agency of record:

Atra line
Trac II line
Good News line
Daisy line
Foamy Shave Cream
Microtrac

Ad agency: BBDO, New York: Symon Marlow, exec vp-sr mgmt rep; Michael Paxton, sr vp-mgmt rep.

Personal Care Group

Marketing personnel: Sandra Lawrence, vp-new prods & business devel.

Brands/services by agency of record:

Personal Care Group

Ad agency: Ingalls, Quinn & Johnson, Boston: Margaret Coughlin, dir-business devel.

Personal Care Division

Marketing personnel: Roger Credgington, vp-mktg.

Brands/services by agency of record:

Dippity-Do
White Rain
Mink Difference

Toni Epic Wave
Right Guard
Silkience

Ad agency: N W Ayer, New York: David Gantman, sr vp-exec acct dir; James Haag, vp-mgmt super.

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Soft & Dri
Dry Idea

Ad agency: BBDO, New York: Bruce Myers, exec vp, dir-acct svcs.

Stationery Products Group

Marketing personnel: Stephen White, vp-business strategy, new prods & acquisitions.

Stationery Products Division

Marketing personnel: Michelle Stacey, mktg dir.

Brands/services by agency of record

Paper Mate writing instruments
Waterman writing instruments

Ad agency: McCann-Erickson, New York: David Weiss, vp-group head dir.

Oral B
Division

Marketing personnel: Thomas Farrow, mktg dir.

Brands/services by agency of record:

Ultra toothbrushes

Ad agency: BBDO, Los Angeles: Terry Bowman, sr vp-mgmt super.

RANK
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Goodyear Tire & Rubber Co.

Akron, Ohio
ADVERTISING: $124.6 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	10,810	9,905	9.1
Earnings	350	771	(54.6)
■ U.S.	**1988**	**1987**	**% chg**
Sales	6,361	5,908	7.7
Operating income	439	617	(28.8)
■ Division sales	**1988**	**1987**	**% chg**
Tires	7,927	7,305	8.5
Transportation prods	1,365	1,262	8.2
Industrial rubber, chem	1,442	1,246	15.8
Oil transportation	8	17	(53.5)
Other	69	76	(9.4)

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	12,727	3,781	236.6
Newsp supp	56	0	NA
Newspaper	2,029	1,597	27.1
Outdoor	108	120	(10.0)
Network TV	20,657	14,150	46.0
Spot TV	10,926	14,828	(26.3)
Synd TV	859	1,192	(27.9)
Network Cable	874	307	184.5
Network radio	214	2,198	(90.3)
Spot radio	700	592	28.4
Farm pub	635	855	(25.7)
Measured	49,844	39,620	25.8
Unmeasured	74,800	59,400	25.9
Total	124,644	99,020	25.9

Goodyear Tire & Rubber restored its advertising in 1988 to the level of expenditures in 1986 following an unsuccessful attempt by Sir James Goldsmith to acquire the company. Total advertising increased an estimated 25.9% over 1987, a year of cost-cutting, sell-offs and restructuring at Goodyear as it recovered from the debt incurred in its buyout defense.

The world's largest tire and rubber company continued consolidating operations, reorganizing into two divisions, tires and general products, each with its own manufacturing, development, financial, management and support functions.

Goodyear's realignment gives new division heads, Jacques R. Sardas (tires) and Hoyt M. Wells (general products), flexibility in decision-making. While both report to Goodyear's newly-elected CEO Tom Barrett, who succeeded retired chief Robert Mercer in January, each division head has the autonomy and authority to act on his own.

While Goodyear retained its leadership position in the $40 billion worldwide tire market with an 18.3% share, last year's merger of Bridgestone and Firestone significantly increased the pressure on Goodyear to differentiate its products and services from its competitors. In the mature, low-growth market category of tires and transportation items, advertising and promotion strategies have become more important in creating new images and building product awareness.

Goodyear's measured media ad expenditures in 1988 reached nearly $50 million, up 32%, according to LNA/Arbitron. The jump was fueled by increased spending in network TV to $20.7 million, up 47%, and magazines, $12.8 million, up from $3.8 million. Much of this was for Young & Rubicam's new "Nobody fits you like Goodyear" campaign.

Introduced in midsummer with humorous TV spots for Goodyear Certified Auto Services, which competes in the $80 billion auto service market, Y&R's campaign replaced the long-running "Goodyear, Take Me Home" theme created by former account-holder J. Walter Thompson USA, New York. During the Summer Olympics, the new campaign expanded to include TV spots for Goodyear passenger car and light truck tires.

Goodyear, in a tandem move, offered 4,600 free car-care clinics at company-owned stores and dealerships throughout the country. These were designed to spotlight Goodyear's certified auto service and nationwide warranty program.

To promote its Eagle all-season, high-performance tires, Goodyear provided 8 million brochure inserts to 10 automotive and sports magazines, as well as continuing its high-visibility involvement in Formula One, Indy Car and NASCAR auto racing. The company sponsored the development of a tire care booklet which was made available through the federal government's consumer information catalog.

Goodyear did not neglect promotional opportunities in other marketplaces. Goodyear truck trailers bearing Tirenet logo, which represents its road service program for truck fleet customers, attracted nationwide media attention when they hauled hay to drought-stricken Midwest farmers. And its sponsorship of the 1988 World Plowing Contest at the World Agricultural Expo in Amana, Iowa, garnered Goodyear exposure in the global agricultural machinery market.

GOODYEAR TIRE & RUBBER CO.
1144 E. Market St.
Akron, Ohio 44136
(216) 796-2121

Marketing personnel: James K. DeVoe, vp, tire mktg & worldwide adv; Robert L. Gray, dir-creative svcs; Davis M. Jones, dir-retail adv; James N. Neawedde, mgr-adv, auto & racing tires; Norbert J. Drol, mgr-adv, truck & farm tires; George S. Drop, mgr, major mkt programs; James T. Manning, mgr-adv, genl prods; William L. Newkirk, vp-public affairs; Leonard B. Elms, mgr-corp adv.

Brands/services by agency of record:

Genl prods
Retail adv

Ad agency: Malone Advertising, Akron, Ohio: Robert L. Haverback, vp-mgmt super; Scott Earhart, acct exec. Genl prods: Joseph A. Mazzagotti, vp-mgmt super; Donna Hessel, acct exec; Ira Bass, vp-media dir.

■

Western region retail adv

Ad agency: HDM Los Angeles: Chuck Reynolds, president; Fred Koplin, mgmt super; Jean Gillett, sr acct exec.

■

Eagle brand genl adv
Eagle high-performance tires
Goodyear Wrangler tires
Race enthusiast adv
Broad mkt tires
Certified auto svc
Commercial truck tires
Farm tires
Light truck tires

Ad agency: Young & Rubicam, Detroit: Charles Riley, sr vp-group dir; George Bak, vp-mgmt super.

■

High-performance group

Ad agency: J. Walter Thompson USA, Detroit: Austin Craig, vp-mgmt super; Pamela Csatari, acct super.

■

Corp adv

Ad agency: Brouillard Communications, New York: Doug Longmire, sr vp-acct dir; Kate Gomez, vp.

Kelly Springfield Tire Co.
Cumberland, Md.

Marketing personnel: B.D. Robbins, vp-sales & mktg; J.L. Florin, dir-adv.

Brands/services by agency of record:

Kelly tires

Ad agency: Malone Advertising, Akron, Ohio: Fred Bidwell, sr vp-genl mgr; Ralph Cutcher, vp-acct exec; Mark Bachmann, acct exec; Debby Neitzel, acct coord; Laura Ruth, art dir; Cathy Chapman, copywriter; Tracey Kleibscheidel, assoc media dir; Vince Felber, traffic coord.

Lee Tire & Rubber Co.
Cumberland, Md.

Marketing personnel: William E. Borst, genl mktg mgr; Gardner Bates, comm mgr.

Brands/services by agency of record:

Lee tires

Ad agency: Winchell Marketing Communications, Philadelphia: Carl Shaifer, chmn-acct mgr; Tom Rigg, production mgr; Lisa McKenna, media coord.

RANK
6

Grand Metropolitan PLC

London
ADVERTISING: $773.9 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	10,681	8,994	18.8
Earnings	730	525	39.0
■ U.S.	**1988**	**1987**	**% chg**
Sales	3,211	2,803	14.6
Operating income	410	312	31.2
■ Division sales	**1988**	**1987**	**% chg**
Food	2,219	1,650	34.5
Drinks	4,573	3,433	33.2
Retailing	2,960	2,313	28.0

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	59,545	54,948	8.4
Newsp supp	2,298	2,663	(13.7)
Newspaper	13,887	6,352	118.6
Outdoor	7,796	7,314	6.6
Network TV	102,009	122,205	(16.5)
Spot TV	130,330	142,005	(8.2)
Synd TV	21,808	16,611	31.3
Network Cable	4,343	2,137	103.2
Spot radio	21,060	16,366	28.9
Measured	363,114	370,600	(2.0)
Unmeasured	410,800	419,300	(2.0)
Total	773,914	789,900	(2.0)

Grand Metropolitan transformed itself into one of the world's leading food and beverage companies last December when it captured a reluctant Pillsbury Co. in a $5.75 billion deal.

Grand Met initiated sweeping changes at Pillsbury. Burger King, Haagen-Dazs and Pillsbury's Industrial Foods were combined into a separate division. Pillsbury's U.S. Consumer Foods business, now also a separate operating unit within Grand Met, was renamed Pillsbury Foods.

"Now we make a bigger splash with our promotions."

Tim Schoen, Product Manager, Budweiser

Each year at more than 100 water sports events, people thrill to the sight of a 15-foot tall Budman speeding across the waves.

"Budman on a Jet Ski" is just one of several Anheuser Busch characters we've recreated to capture the attention of audiences everywhere.

We're Bigger Than Life, the nation's leading creator of high quality giant inflatables. Our memorable replicas of products, characters and mascots ensure lasting impressions for companies around the world.

Three Budmen on jet skis—and twenty other giant inflatable Budman characters—travel around the U.S. in support of Budweiser consumer promotions.

Bigger Than Life conveniently handles reservations, maintenance and distribution of each inflatable through a turn-key service program.

We'd like to show you how Bigger Than Life giant inflatables can help your promotions make a bigger splash. Call us today at 800-383-9980, extension 400.

BIGGER THAN LIFE INC.®
FOR PEOPLE WHO THINK BIG

1327 Fayette Street, El Cajon, California 92020

MARKETING—EXECUTIVES

Packaged Goods and Financial Services

MARTHA WARD ASSOCIATES

Top 25 network radio advertisers

		Network radio expenditures			as % of co.'s
Rank	Advertiser	1988	1987	% chg	'88 ad total
1	Sears, Roebuck & Co.	$67,612	$52,701	28.3	6.5
2	General Motors Corp.	38,255	18,906	102.3	3.0
3	Procter & Gamble Co.	25,534	23,665	7.9	1.7
4	Bayer AG	18,701	20,221	(7.5)	14.1
5	Campbell Soup Co.	18,572	14,763	25.8	9.2
6	Cotter & Co.	18,284	12,488	46.4	20.8
7	Warner-Lambert Co.	16,911	24,614	(31.3)	2.8
8	Anheuser-Busch Cos.	15,391	23,456	(34.4)	2.4
9	American Telephone & Telegraph	12,311	15,004	(17.9)	2.2
10	Ford Motor Co.	12,043	19,766	(39.1)	2.1
11	Unilever NV	11,816	8,627	37.0	1.9
12	K Mart Corp.	11,792	6,824	72.8	1.9
13	U.S. Government	11,788	10,124	16.4	4.0
14	City Investing Co.	11,549	NA	NA	NA
15	Schering-Plough Corp.	11,256	10,641	5.8	4.3
16	Chrysler Corp.	11,193	4,874	129.7	2.4
17	Dow Jones & Co.	10,218	8,951	14.1	NA
18	News Corp.	9,734	4,899	98.7	7.0
19	Philip Morris Cos.	8,696	9,611	(9.5)	0.4
20	Teledisc USA	8,591	15,758	(45.5)	NA
21	Black & Decker Manufacturing Co.	7,485	2,106	255.4	11.8
22	Hershey Foods Corp.	5,952	3,332	78.6	2.0
23	General Mills	5,809	2,473	134.9	1.2
24	State Farm Mutual Auto. Insurance	5,801	NA	NA	NA
25	Mars Inc.	5,721	8,569	(33.2)	1.7

Note: Dollars are in thousands. **Source:** Leading National Advertisers/Arbitron.

AA chart: Kevin Brown

Philip Smith left as head of Pillsbury. Ian C. Martin, Grand Met's top U.S. executive, assumed the role of chairman for both Pillsbury and Burger King.

Burger King conducted its third agency review in as many years, dropping N W Ayer from its $215-million business. D'Arcy Masius Benton & Bowles, New York, got brand identity or chain-image advertising and Saatchi & Saatchi Advertising, New York, got brand retailing, short-term and product-specific advertising.

Pillsbury management also consolidated its advertising with Leo Burnett USA, moving the estimated $4.8 million account for dessert mixes, frostings and microwave products from Young & Rubicam, New York.

During 1988, Pillsbury, which pioneered microwaveable refrigerated dough, introduced microwave brownies. The brand rolled out nationally with $6.5 million in measured spending, a first step on Pillsbury's part to improve its No. 3 position in the $1.1 billion dessert-mix market. General Mills leads the category with 39% share. Procter & Gamble's Duncan Hines holds second.

Pillsbury also sought to improve its standing in the frozen vegetable category with a $9.6 million media push behind the introduction of Green Giant Gourmet vegetable side dishes.

As the frozen pizza category leader with about a 50% market share through its Jeno's and Totino's brands, Pillsbury is testing a line of "quality" frozen pizzas called Papalo's in southwestern markets. Early in 1988 Pillsbury's Godfather's Pizza chain was sold to management. Pillsbury then followed by selling Bay Street and Key West Grill restaurants to that division's management.

Pillsbury broke a $15 million TV campaign for Bennigan's, a casual-dining restaurant chain. But once under Grand Met management, Bennigan's and Steak & Ale restaurants were sold to management.

By mid-1989, two more Pillsbury units were put on the block: Bumble Bee Seafood and Van deKamp's Frozen Foods.

Grand Met's International Distillers and Vintner's U.S. units, Paddington, Carillon and Heublein, focused on the few liquor categories that are expanding. Overall U.S. liquor consumption declined 4.2%, more rapidly than it had in recent years.

Carillon's Absolut vodka, with its Peppar and Citron formulations, was the category leader in imported vodka, a segment which grew by 24% to 3.1 million cases, according to *Impact*, a wine and spirits newsletter. Absolut led the way with an increase of 33.5% to 1.89 million credited to its innovative advertising and promotions, according to Grand Met. Measured spending for the brand increased 19% to $7.5 million.

Heublein, which markets Smirnoff vodka, the top-selling domestic vodka in that $3 billion brand category, backed Smirnoff with $6 million in media, down 28.6%. Sales of the vodka increased 2% to 6.6 million cases, according to *Market Watch*. To take on the hot-selling premium imported vodkas, Smirnoff has introduced Smirnoff Silver, a premium-price brand selling for as much as 50% more than regular Smirnoff. Ad spending behind the brand should hit $10 million in 1989. Heavy media support also was provided Fosters lager at $6 million, up 11%; J&B Scotch at $6.5 million, down 15.6%, and Grad Marnier, $4.78 million, down 7.8%.Heublein's Jose Cuervo tequila is the market leader in the category, which is growing by about 4% annually. In 1988, about 4 million cases of tequila were shipped to wholesalers, according to *Impact* Cuervo led with 1.65 million case depletions, an increase of 16%. The No. 2 brand, Sauza, marketed by Domecq Importers, increased 22% to 605,000 cases. Measured media spending for Jose Cuervo totaled $2.6 million.

To fortify its wine and brandy business, Heublein acquired Mont La Salle Vineyard and its Christian Brothers label. The estimated $5 million account was shifted from Goodby, Berlin & Silverstein to one of Heublein's main agencies, Young & Rubicam, New York.

In 1988 Grand Met spent about $15.3 million, down 8.9%, in support of the Alpo dog food brands.

Alpo plans to launch its first branded cat food in November to replace Alpo's regional brand, Tabby, which ranked 12th among the top-selling brands in 1988, with $1 million in sales. Anticipated costs for the rollout will be about $70 million, including an undisclosed marketing fee for the use of the Garfield cat cartoon character. U.S. cat food sales climbed 3.8% in 1988 to $2.3 billion. Dog food sales only climbed 2.45% during the same period to $3.6 billion, according to John C. Maxwell, a pet food industry analyst for Wheat First Securities in Richmond, Va.

Alpo canned dog food is the category leader, with 1988 sales of $262 million, up 2.9% from $240 million. The No. 2 brand, Kal Kan Pedigree, had $200 million sales, according to Mr. Maxwell.

Alpo's Beef Flavored Dinner dog food was the third best-selling brand in 1988 with sales of $113.5 million, up 5% from $108 million. Ralston Purina's Dog Chow and Puppy Chow had higher sales. Three of its other dry brands, Hunters Choice, Jim Dandy Chunk & Ration and Alpo Puppy, were among the top 20 brands.

Pearle Vision Centers acquired two chains of vision superstores: Vision Express, which has 27 stores in the Midwest and Eye-Tech, with 38 stores in the Southwest and western states. To compete in the growing prepaid medical plan market, Pearle launched Managed Vision Care to sell Pearle Products and services to the 35 million people covered by these plans. Measured spending for Pearle was down 18.9% to $21.5 million.

Grand Met in 1988 sold the Inter-Continental Hotels subsidiary to Japan's Saison group for $2.27 billion. Cash from the sale was used to lure Pillsbury.

GRAND METROPOLITAN P.L.C.
11-12 Hanover Square
London W1A 1DP

Grand Metropolitan
100 Paragon Dr.
Montvale, N.J. 07645
(201) 573-4000

Corporate personnel: Ian A. Martin, chmn; J.H. Chandler, exec vp, legal, personnel, external affairs; J.H. Gross, sr vp, legal, secretary; R.C. Mitchell, dir & vp, corp finance, treasurer; M.E. Carroll, vp, external affairs; Joseph Pollack, vp, taxes; P.E. Phillips, jr controller.

Petfoods
Allentown, Pa.

Corporate personnel: Frank W. Krum, president-coo; Willard Cessman, sr vp, finance.

Marketing personnel: Robert Beckwith, vp-sales; Katherine Hillman, vp-mktg.

Brand/services by agency of record:

Alpo canned & dry dog food
Alpo Dinner canned & dry dog food
Alpo Jerkey Bits

To cover Houston, split your buy between the two biggest newspapers:

over Houston
Sports
Houston

Alpo Light canned dog food
Alpo puppy food
Alpo Snaps treats
Alpo Stew Biscuits dog food
Bi-ta dog biscuits
Beef Bites treats
Tabby cat food

Ad agency: Weightman Inc., Philadelphia: John Goodchild, president; Mark Plamondon, exec vp; Neil Harrison, sr vp-media.

Burger King Corp.
Miami, Fla.

Corporate personnel: Ian C. Martin, chmn; Barry Gibbons, ceo.

Marketing personnel: Gary L. Langstaff, exec vp-mktg; Jeff Meyers, vp-creative; Donald Dempsey, exec vp, northeast; Kevin K. Moriarity, exec vp, central; C. Scott Connor, exec vp, southeast; David I. Geddes, exec vp, west.

Brands/services by agency of record:

Burger King brand identity

Ad agency: D'Arcy Masius Benton & Bowles, New York: Roy Bostock, president; Steve Gramps, sr vp-acct dir.

■

Burger King brand retailing

Ad agency: Saatchi & Saatchi Advertising, New York: Edward L. Wax, ceo; Harvey Hoffenberg, exec vp.

Pillsbury Foods
Minneapolis

Corporate personnel: Ian C. Martin, chmn-ceo; Paul S. Walsh, coo.

Marketing personnel: Michael J. Paxton, president, Pillsbury Brands Group; Gary Klingl, president, Green Giant Group; Mark L. Stevens, president, Haagen-Dazs Ice Cream; Michael Bailey, sr vp-sales & mktg, Haagen-Dazs Ice Cream.

Brands/services by agency of record:

Al-Ready pie crusts, cakes & frosting mixes
Artificial sweeteners
Figurines
Green Giant prods
Refrigerated prods
Hungry Jack potatoes & pancakes
Pillsbury microwave prods
Totino's pizza
Jeno's pizza

Ad agency: Leo Burnett USA, Chicago: Susan Ball, acct super; John Miller, sr vp-acct dir; Edson Sessions, vp-acct dir.

■

Haagen-Dazs Ice Cream

Ad agency: Margeotes/Fertitta & Weiss, New York: George A. Fertitta, president.

■

Van deKamp's frozen seafood
Van deKamp's frozen entrees

Ad agency: D'Arcy Masius Benton & Bowles, Los Angeles: Jim Helin, mng dir; Diane Krouse, vp-mgmt super; Arlene Spector, vp-acct super; Phil Odell, sr acct exec.

■

Corp trade adv

Ad agency: Pride, Barber & Whaley, Minneapolis: Bob Pride, chmn; Lynn Dekker, vp-acct super.

Pearle Health Services
Dallas

Marketing personnel: Howard Stanworth, president-ceo; Joe Dono, sr vp-mktg; Debbie Tippett, dir-mktg; Randy Henry, dir-field mktg; Barbara Pijot, creative mktg mgr.

Brands/services by agency of record:

Pearle Vision Centers
Texas State Optical Service

Ad agency: Foote, Cone & Belding Communications, Chicago: Joan Black, sr vp-group acct dir; Bob Kubis, vp-acct dir.

International Distillers and Vintners
Paddington Corp.
Fort Lee, N.J.

Corporate personnel: Peter Thompson, president-ceo.

Marketing personnel: Roger Slone, sr vp-mktg; Joe McKenna, vp-pr; Robert Green, sr vp-sales; Tony Foglio, vp-sales; Kevin Mc Hugh, vp-sales, eastern region; Keith Greggor, brand mgr-Baileys Original Irish Cream; David Margolis, brand mgr, J&B; Jim Signorile, group mktg dir, Malibu rum; Aldo Tenaglia, brand mgr, Cinzano, Rumple Minze, Amaretto di Saronno; Christine Bowdring, asst brand mgr, Amaretto di Saronno; Jamie Friedman, asst brand mgr, Rumple Minze schnapps; Mark Teasdale, asst brand mgr, Rumple Minze schnapps.

Brands/services by agency of record:

Asti Spumanti wines
Bailey's Original Irish Cream liqueur
Cinzano vermouth
Sambuca Romana

Ad agency: Berentner, Greenhouse & Webster, New York: Bill Berentner, chmn; Martin Greenhouse, exec vp; Barrie Webster, president.

■

Amaretto di Sarrono
Malibu Rum
Rumple Minze schnapps

Ad agency: Geer, DuBois, New York: Dave Eastbrook, vp-mgmt super; Robert Rosengarten, vp-acct super; Dawn Drecher, sr acct exec.

■

J&B rare scotch
Knockando scotch

Ad agency: Grace & Rothchild, New York: Gordon Sleeper, genl mgr; Tom White, mgmt super; Gene Wilhoft, dir-media svcs.

Carillon Importers
Teaneck, N.J.

Corporate personnel: Michel Roux, president-ceo; Jerry Ciraulo, vp-finance & admin.

Marketing personnel: Dick McEvoy, sr vp-mktg & sales; Ernie Capria, dir-mktg svcs; Pamela Taylor, mgr-pr.

Brands/services by agency of record:

Absolut vodka
Absolut Peppar
Absolut Citron
Bombay gin
Champagne Devonage
Catullo red & white wine
Cremant Rose
Fernet Blanca
Grand Marnier
O'Kir
O'Mint mineral water
Pia D'Or wine

Ad agency: TBWA Advertising, New York: Richard Lewis, Brian Barry, vps-mgmt supers; Claude Fromm, sr vp-media dir; Reatha Braxton, vp-media super; Page Murray, Darren Finnie, acct execs.

Heublein Inc.
Farmington, Conn.

Corporate personnel: John A. Powers, chmn; Robert M. Furek, president-ceo; G.T. Eisenberg, exec vp-sales & mktg.

Marketing personnel: David G. Eickholt, vp-mktg svcs; William F. Engster, president, Intl Vintage Wines Co.; Edward Gaultieri, vp-spirits mktg; Gregory Czarnecki, mktg dir, Palace Brands Co.; Peter Seremet, vp-pr; G. William Seawright, sr vp-intl; Charles Trynor, vp-wines mktg; Charles Wheeler, dir-adv svcs.

Brands/services by agency of record:

Almaden wines
Blossom Hill wines
Black Velvet Canadian whisky
Smirnoff Vodka
Smirnoff Silver Vodka
Famous Grouse scotch whisky
Yukon Jack Canadian liqueur

Ad agency: McCann-Erickson, New York: Dave Cohen, sr vp-group super; David Katz, Kathy Faust, Margot Jackson, acct execs.

■

Arrow Cordials
Club Cocktails
Christian Brothers brands
Finlandia vodka
Heublein Cocktails
Inglenook-Napa Valley wines
Inglenook Navalle wines
Jose Cuervo tequila
Lancers wine
Mouton Cadet wines
Tropic Freezer Cocktails
Truffles Liqueur du Chocolat

Ad agency: Young & Rubicam, New York: Bernadette Murray, Ed Daley, acct supers.

■

Pernod

Ad agency: D'Arcy Masius Benton & Bowles, New York: Dan Cole, acct super.

■

Beaulieu Vineyards

Ad agency: Lowe Marschalk, New York: Bob Glassman, acct super.

■

Smirnoff vodka-Hispanic adv

Ad agency: Robles Communications, New York: Neil Campbell, acct exec.

■

Smirnoff vodka-Black adv

Ad agency: UniWorld Group, New York: Byron Lewis, ceo.

All Brand Importers
Hartford, Conn.

Corporate personnel: John J. Kucich, chmn-ceo.

Brands/services by agency of record:

Clausthaler non-alcoholic malt beverage
Dos Equis beer
Moosehead Canadian Lager

Ad agency: McCann-Erickson, New York: Steve Monahan, acct super.

■

Foster's Lager

Ad agency: AC&R/CCL, Los Angeles: Bill Isenberger, acct mgr.

Kraft's still Kraft, sort of

Since '56, Kraft has been National Dairy Products, Kraftco, Kraft Inc., Dart & Kraft and Kraft GF on the Leaders.

RANK
90

Hallmark Cards

Kansas City, Mo.
ADVERTISING: $119.8 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	1,720	3,384	(49.2)
Newsp supp.	9,659	2,523	282.8
Newspaper	10,994	7,174	53.3
Outdoor	1	3	(73.3)
Network TV	38,180	36,230	5.4
Spot TV	2,975	1,173	153.7
Synd TV	2,085	711	193.0
Network Cable	424	77	447.3
Network radio	433	1,300	(66.7)
Spot radio	4,769	2,426	96.6
Measured	71,240	55,002	29.5
Unmeasured	48,600	37,500	29.6
Total	119,840	92,502	29.6

Hallmark Cards is reopening the competition in the mature greeting card industry as it breaks new ground with its products and advertising via Leo Burnett USA, its fourth agency in seven years.

The privately held No. 1 greeting card maker also is using characteristic caution with these moves, hedging its risks and downplaying any appearance of change.

As Hallmark rejuvenates its marketing efforts in greeting cards, it continues to invest heavily in advertising via Spanish-language broadcasting.

The $4 billion greeting card industry was relatively flat from 1985 to 1987, mainly due to a saturation of retail card outlets and higher prices for cards overall, says E. Gray Glass III, a greeting card industry analyst with Prudential-Bache Securities.

However, the industry began to grow again in 1988, and is expected to increase by approximately 3% through 1989, says Mr. Glass who believes greeting card makers are showing stronger marketing at the retail level.

Hallmark is maintaining its leadership with 40% share of the overall market. American Greetings Corp. follows with about 35%, and Gibson Greetings has 10%-12% share.

Citing the need for fresh creative approaches, in late 1988 Hallmark put its $40 million account up for review, and picked Burnett as its new agency to succeed Ogilvy & Mather, New York, which had the account for four years.

The review followed several years of agency turnover at Hallmark, beginning in 1982 when Hallmark dismissed Foote, Cone & Belding, Chicago, its agency for 37 years. The account had moved to Young & Rubicam, New York, for two years before it settled at O&M.

Burnett's first campaign introduced a new, secondary theme to Hallmark's advertising: "Hallmark has a way to make somebody's day," which is now being used alongside Hallmark's umbrella theme: "When you care enough to send the very best."

The new agency was given the task of nurturing a new product niche that's the first of its kind—Hallmark's "non-occasion" line of cards for children, called: "To Kids With Love."

The cards are designed to convey everyday messages of love and caring from adults to kids between 7 and 14 years old, an age group Hallmark says is 26 million strong and expected to grow 15% by the end of the next decade. Hallmark

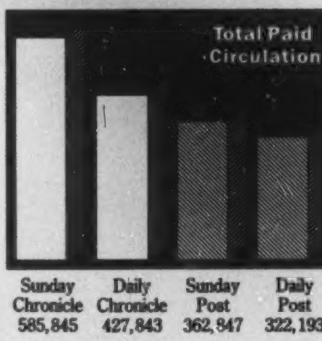
The Sunday Chronicle and the daily Chronicle.

Surprised that The Houston Chronicle sells the two biggest newspapers in Houston? Well, it does.

The Sunday Chronicle sells 222,998 more papers than the city's other Sunday paper, giving it a 61% lead. And the daily Chronicle? It's got a 33% lead over their daily edition, and even outsells their Sunday paper by 64,996. The Houston Chronicle is also the largest paper in the Southwest and one of the top 20 papers in the country.

So if you want big advertising results, give us a call at (713) 220-7761. One phone call, and you'll get Houston's two biggest newspapers.

Houston Chronicle
Houston's primary advertising investment.



Calculations computed from the March 31, 1989 Publisher's Statements for The Houston Chronicle and The Houston Post.

introduced the line in January 1989, with a $5 million network TV campaign created by O&M.

Hallmark stepped up its sales promotion efforts to increase card sales for occasions and holidays. In October 1988, it introduced its first video purchase-with-purchase deal for Halloween, called "Creepy Classics," which it supported with a print-and-radio campaign.

In February, it brought out a stuffed bear purchase-with-purchase offer for Valentine's Day, backed with a network spot by Burnett.

HALLMARK CARDS
2501 McGee Trafficway
P.O. Box 580
Kansas City, Mo. 64141
(816) 274-5111

Corporate personnel: Donald J. Hall, chmn; David H. Hughes, vice-chmn; Irvine O. Hockaday Jr., president-ceo; Robert L. Stark, exec vp.

Marketing personnel: Thomas H. Johnston, group vp, Hallmark brand; Robert Firnhaber, group vp, Ambassador brand; Lanny Julian, Hallmark vp-sales & retail devel; Homer Evans, Hallmark vp, Hallmark Cards prods div; Buddy Jones, Hallmark vp, specialty prods div; Donald Fletcher, div vp, Ambassador prod devel; Brad Moore, div vp-adv & promo; Ira Stolzer, mgr-natl & retail adv; Jim Welch, consumer promo dir.

Hallmark Division

Corporate personnel: Donna Kelly, vp-genl mgr, Hallmark properties; Charles W. Hucker, div vp-public affairs & comm.

Brands/services by agency of record:

Hallmark natl adv

Ad agency: Leo Burnett USA, Chicago: Jim Thompson, sr vp-acct dir; Tom Dickson, vp-acct dir; Jan Karzen, Ken Fill, acct supers; Greg Matsunami, Greg Marlovits, acct execs.

■

Hallmark local retail adv
Ambassador div

Ad agency: Valentine-Radford, Kansas City, Mo.: T. Craig Ligibel, vp-client svcs; Greg Kirsch, vp-acct super; Michael St. Pierre, acct super; Karen Bogle, acct super, Ambassador.

Binney & Smith
Easton, Pa.

Corporate personnel: Richard S. Gurin, president-ceo.

Brands/services by agency of record:

Binney & Smith

Ad agency: Avrett, Free & Ginsberg, New York: Tom James, mgmt super; Miriam Cohen, acct super.

Univision Holdings
New York

Corporate personnel: William Grimes, president-ceo.

Univision
New York

Corporate personnel: Joaquin Blaya, president.

Brands/services by agency of record:

Univision

Ad agency: Alan Spess & Associates, Miami: Alan Spess, president.

RANK
58

Hasbro Inc.

Pawtucket, R.I.
ADVERTISING: **$164.5 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	1,358	1,345	1.0
Earnings	72	48	50.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	925	933	(0.9)
Operating income	83	72	15.7

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	4,368	5,970	(26.8)
Newspaper	30	1	2,057.1
Outdoor	1	0	NA
Network TV	25,006	26,697	(6.3)
Spot TV	78,681	72,148	9.1
Synd TV	21,103	14,836	42.2
Network Cable	2,386	2,445	(2.4)
Spot radio	16	0	NA
Measured	131,591	122,098	7.8
Unmeasured	32,900	30,500	7.9
Total	164,491	152,598	7.8

Hasbro Inc. is at a crossroads. Although it is the largest, most diversified toy company in the industry, in 1989 the man credited with bringing Hasbro to its No. 1 position—Stephen Hassenfeld—died at the age of 47.

He was replaced in May as president by his brother Alan, 41, who has a long track record with Hasbro.

Hasbro grew dramatically through the 1980s, but that momentum slowed in 1987 and 1988. Analysts predicted that 1989 sales would be relatively flat because of no runaway toy hit. And by late 1989, Hasbro looked as if it would have another average year.

Hasbro made several moves in 1989 aimed at invigorating sales. It added a second agency to its roster to join Griffin Bacal, New York, which has been principal agency on its $100 million account for years.

Hasbro had consolidated the entire account at Griffin Bacal, New York in early 1988 after dismissing DDB Needham, Chicago, but in mid-1989 it opened up a review to several agencies for $20 million in billings for its girls' toys and some Milton Bradley board games. Jordan, McGrath, Case & Taylor, New York, won the review.

Hasbro's game plan in 1989 also called for acquisitions—central to its growth strategy throughout the 1980s—and the addition of new products and line extensions to existing brand names.

Hasbro's gained the assets of bankrupt Coleco Industries, including the Cabbage Patch Kids doll line and Scrabble, the veteran board game that has churned out sales for decades without any signficant advertising.

Although Cabbage Patch was a hit in the early 1980s, the line had wilted in recent years. Hasbro moved to revive it in the fall 1989 with a $7 million TV campaign via Griffin Bacal, themed: "A special kind of love."

The rejuvenation of Cabbage Patch is part of Hasbro's emerging philosophy: strong toy brands can have long-lasting value if nurtured by consistent advertising and marketing.

Such examples of that strategy are G.I. Joe, its boys' action figure doll that has produced solid sales for several years, along with TransFormers and My Little Pony, its girls' toy line.

But Hasbro also is taking risks on new product entries, such as the new battery-operated super-fast cars, which burst upon the U.S. toy industry in 1989 after creating a sensation in Japan. Hasbro debuted Record Breakers, its super-fast cars, in September 1989, with a strong TV campaign and plans to support the line through 1990.

Several other Hasbro attempts at launching new products have not met with much success. Its behind-the-scenes plan to develop a videogame in 1988 was a $20 million flop, and Maxie—the fashion doll Hasbro launched amid much fanfare in 1988 to compete with Mattel's Barbie—has yielded lackluster sales.

Diversification remains the key to its success, and Hasbro continues to spread its efforts between core toys and its Milton Bradley and Playskool divisions.

In addition to selling its first videogames for use with the Nintendo Entertainment System, in 1989 the Milton Bradley games division launched "Trump: The Game," along with another board game called "Scattergories," targeting adult audiences.

Playskool continues to produce excellent sales for Hasbro, and in 1989 it broadened its practical and promotional toys to include a plush Gumby, whose license Hasbro acquired in 1988.

HASBRO INC.
1011 Newport Ave.
Pawtucket, R.I. 02861
(401) 727-5000

Marketing personnel: Alfred C. Carosi Jr., sr vp-mktg svcs; Wayne Charness, assoc vp-pr; John A. Gildea, vp, licensing & creative design; Deborah Boyd, assoc vp-media svcs; Walter Banc, dir-mktg rsch; Ellen Franklin, dir-corp shows & exhibits; Pat Schmidt, dir-promotions.

Hasbro Division

Marketing personnel: Larry Bernstein, president; Neil Friedman vp-mktg, boys' toys; Maurene Souza, vp-mktg, girls' toys; Barry Tunick, vp, Cabbage Patch dolls.

Playskool Division

Marketing personnel: Steven A. Schwartz, president; Bob Wann, sr vp-mktg; Sharon Hartley, vp, Playskool Preschool; Kirk Bozigian, sr mktg dir, Playskool baby.

Milton Bradley Division

Marketing personnel: George Ditomassi, president; Larry Bernstein, sr vp-mktg; George Merritt, vp-adv & pr.

Brands/services by agency of record:

Broadcast-
Hasbro
Milton Bradley
Playskool

Ad agencies: Griffin Bacal, New York: Tom Griffin, co-chmn-ceo; Joe Bacal, co-chmn, dir-creative svcs; Paul Kurnit, president-coo, dir-client svcs; Leonard Leokum, exec vp-creative dir; Art Heller, exec vp, dir-media; Loretta Volpe, sr vp, dir-media, programming & mktg svcs; Bob Kantor, sr vp-group dir, Playskool; Arnie Berger, sr vp-group dir, Milton Bradley; Jeff Dunetz, vp-assoc media dir, boys' & girls' toys, Playskool; Steve Margaritov, vp-assoc media dir, Milton Bradley; Heidi Kahme, vp-media buying; Lisa Kaye, Mary Tricoli, vp-buying group supers; David Biebelberg, vp-mgmt super, boys' toys; Janice Figueroa, vp-mgmt super, girls' toys.

Jordan, McGrath, Case & Taylor, New York: Pat McGrath, president; Donald Weir, sr vp-mgmt rep, Hasbro, Milton Bradley, new prods; Mark Itkowitz, Mal MacDougall, execs, creative dirs; Alisa Litwin, creative dir, Hasbro (My Little Pony); Katy Ryan, vp-mgmt super; David Hauer, mgmt super; Gene Case, creative director, Milton Bradley (board games).

■

Print adv-Playskool

Ad agency: Kidvertisers, New York: Larry Nunno, acct dir; Deyna Vesey, creative dir.

RANK
29

H.J. Heinz Co.

Pittsburgh
ADVERTISING: **$340.1 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,801	5,244	10.6
Earnings	440	386	14.0
■ U.S.	**1988**	**1987**	**% chg**
Sales	3,473	3,053	13.8
Operating income	468	423	10.5

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	17,865	18,375	(2.8)
Newsp supp	2,142	778	175.3
Newspaper	11,499	4,972	131.3
Outdoor	24	18	34.1
Network TV	67,792	44,550	52.2
Spot TV	30,078	25,259	19.1
Synd TV	17,111	15,439	10.8
Network Cable	3,241	1,962	65.2
Network radio	0	69	NA
Spot radio	337	290	16.1
Farm pub	0	0	NA
Measured	150,089	111,712	34.4
Unmeasured	190,000	166,900	13.8
Total	340,089	278,612	22.1

H.J. Heinz is eying growth in foreign markets and is increasing promotion of its biggest advertised brand, Weight Watchers, to the health-conscious.

Heinz is formulating a worldwide blueprint to respond to the U.S.-Canada trade agreement, the upcoming integrated European Community market of 1992 and the emergence of economic liberalism in Eastern Europe. As a prelude, 48 varieties from the Weight Watchers line were moved in 1988 onto the Continent under the Geniesserplan brand, and Weight Watchers' frozen meals entered the U.K.

Heinz continued to bulk up with acquisitions: Canada's W.P. Foods (frozen unbaked pie and tart shells), Shady Maple Farms Ltd. (maple syrup) and the Fitness Institute (a fitness and exercise club).

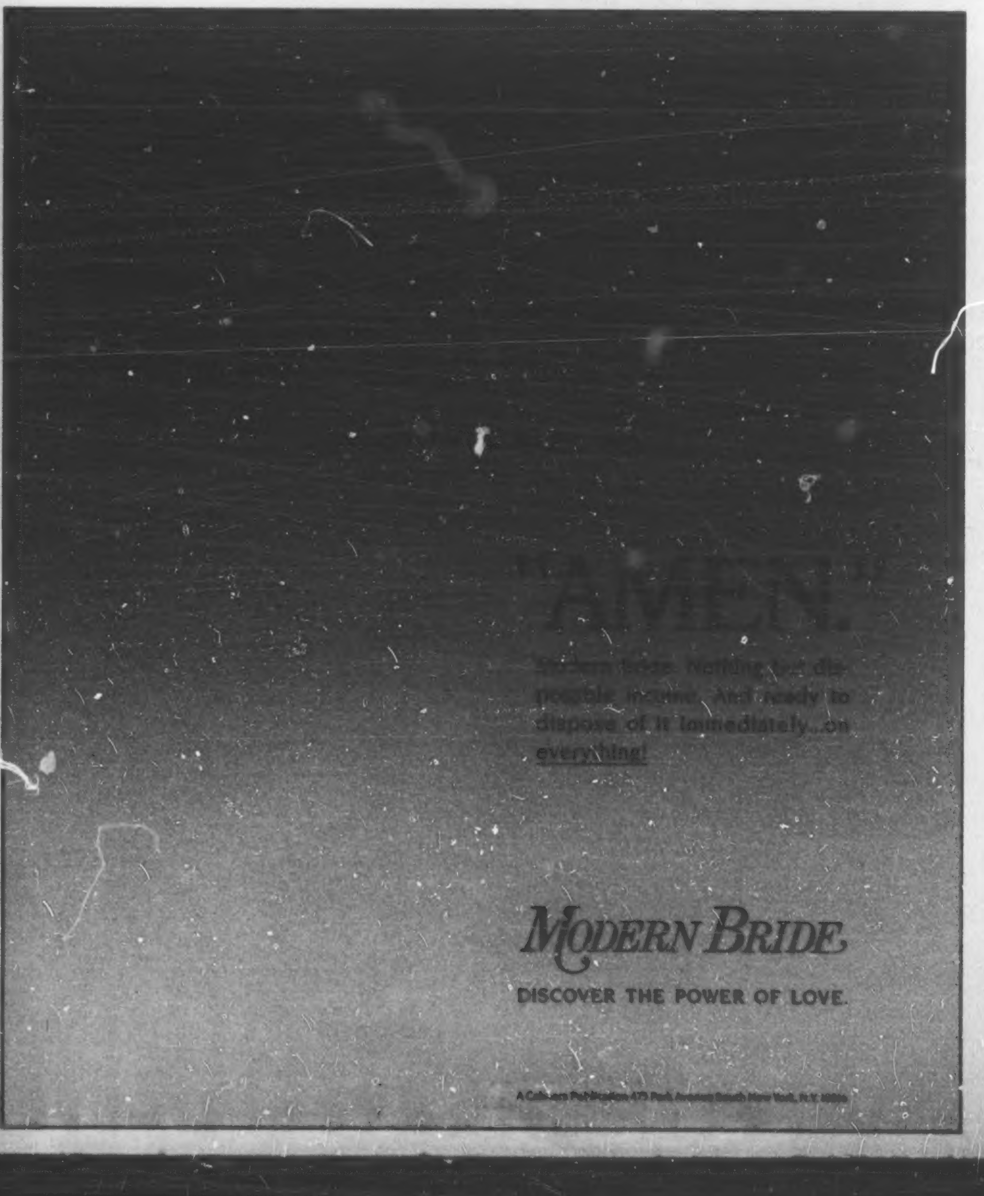
Weight Watchers established a unified marketing strategy even though products are handled by separate Heinz units and ad agencies. TV spokeswoman Lynn Redgrave is the focal point. Rather than pitch only frozen entrees and desserts, the brand's largest ad spenders, she promotes the entire line.

Measured spending for Weight Watchers rose 54% to $47.4 million, according to LNA/Arbitron. TV claimed $38.8 million of that, up 61.7%.

New Weight Watchers products include Ultimate 90 yogurt, chocolate mousse on a stick, six additional frozen entrees, four new Mexican varieties and two more frozen desserts. Heinz also bought back the license to Weight Watchers margarine, cheese, mayonnaise, spoonable salad dressings and other such products from Nutrition Industries Corp.

Weight Watchers holds a 13% market share of frozen sweet goods, up from 10%, according to Jane Shickich, analyst with Prudential Bache. Top competitors, Sara Lee at 40% market share and Pepperidge Farm, at 11%, are non-diet. In the frozen dinner category, the company reports Weight Watchers has overtaken leader Stouffer's Lean Cuisine, though figures are unavailable.

The pet food segment, because of its rapid growth, was spun off from Heinz' seafood unit in 1988. The resulting units: Heinz Pet Products Co. and Star Kist Seafood Co.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In the $900 million canned dog food market, Ms. Shickich said Heinz' multibrand listing had increased approximately 1% to a 16% share on volume growth of 4%. Mars' Kal Kan holds 20.1%, up from 19% and Grand Met USA's Alpo is still No. 1 with 21.8%, down from 23%.

Nine Lives' somewhat surly Morris the Cat is transformed, in a $15 million campaign from Leo Burnett USA, into a lovable family pet that follows its master to school. The campaign featured new can sizes. TV spending grew 47% to $9 million for the 9 Lives canned product; total brand spending fell 16.7% to $9.2 million, according to LNA/Arbitron.

Heinz, with a 21.8% share of the overall cat food market, ranked third at yearend, behind Purina at 28.4% and Carnation at 23.7%. Company officials said in December, though, that acquisitions had moved Heinz to No. 2.

Four Heinz brands—9 Lives, Amore, Kozy Kitten and Petuna—combined for a 29.9% share in the canned cat food segment, still at the top of the category, though down from 33%. Kal Kan has 18% of the wet segment, down from 19%; Nestle's Carnation's Friskies 17%, up from 14%. In semi-moist, Ralston Purina's Tender Vittles leads with 49% and 22.9% for Happy Cat; 9 Lives Tender Meals earns 15.3%. Heinz' share of the dry market with its Crunchy Meals is 7.4%; Purina Cat Chow 16.3%; Carnation's Friskies 14.5%; Purina Meow Mix 11.2% and Mars' Crave 8.1%.

Media spending for Heinz Ketchup grew to $17.3 million, a 56% increase largely attributed to promotion of the revamped 64-oz. Ketchup Lovers' plastic bottle, now with a handle. Heinz holds a 55% share, down a share point from 1987's record high; Hunt's has 19% and Del Monte 9%.

Heinz 57 Sauce saw heftier media spending of $6.8 million, up 42%. Network TV rose from zero to $2.5 million. New Heinz USA products include Good 'N Spicy and Good 'N Garlic pickles, a 10-oz. size of dill relish and Chico-San Popcorn Cakes.

Ore-Ida posted another hefty ad increase. Regular french fries spending rose six-fold to $3.9 million, and microwave fries grew 253% to $4.4 million. Ore-Ida market shares in the frozen potato category dipped three points to 53%.

Star Kist Seafood rolled out Prime Catch, which is a quality light tuna, a reduced-salt Weight Watchers brand and a salt-restricted dietetic variety under the StarKist name. StarKist holds a 37% market share, up from 36%, followed by Ralston Purina's Chicken of the Sea at 19%, down from 20%, and Grand Met's Bumble Bee, also 20%.

HEINZ U.S.A.
P.O. Box 57
Pittsburgh, Pa. 15230
(412) 237-5757

Consumer Products Marketing

Marketing personnel: Brian Ruder, vp; Barbara Behrman, genl mgr; Jeff Conner, prod mgr; Mary Ann McCollough, genl mgr-mktg svcs; Bill Gwynn, mgr-adv svcs.

Food Service Marketing

Marketing personnel: Jeff Berger, vp; Hank Lockard, group prod mgr; Rick Sweet, Jack Musher, mktg mgrs.

Packaged Goods Division

Marketing personnel: John Crawshaw, vp; Bob Roussey, genl business mgr; Jay Abraham, genl mgr-mktg.

Brands/services by agency of record:

Heinz ketchup
HomeStyle gravy
Specialty sauces
Near East

Ad agency: Leo Burnett USA, Chicago: Connie Nelson, acct dir.

■

Weight Watchers yogurt, frozen novelties, Grand Collection, dairy prods, mayonnaise & dressings

Ad agency: Ally & Gargano, Westport, Conn.: Jim Hanzlik, mgmt dir.

■

Heinz 57 sauce
Heinz vinegar
Alba

Ad agency: Ketchum Advertising, Pittsburgh: Mark Hurst, mgmt super.

■

Chico-San rice cakes

Ad agency: Hill, Holliday, Connors, Cosmopulos, Boston: Justin Harrington, sr vp.

StarKist Seafood Co.
Long Beach, Calif.

Marketing personnel: A.A. Ayotte, vp-sales & mktg; J.T. O'Meara, genl mgr-seafood mktg; T.E. Sanford, genl mgr-new prods; R.L. Wilkerson, genl mgr-business devel; D.H. Gallagher, genl mgr, broker sales; R.E. Worsham, genl mgr-sales devel; J.R. Ryan, genl mgr, brand sales; F.M. Horak, mktg mgr, seafood.

Brands/services by agency of record:

Star Kist tuna
Prime Catch

Ad agency: Leo Burnett USA, Chicago: Jeff Herscovitz, sr vp-acct dir.

Ore-Ida Foods
Boise, Idaho

Marketing personnel: Geoffrey V. Supko, vp-sales & mktg; J. Patrick Kinney, genl mgr, foodservice sales; John A. Heil, genl mgr-retail mktg; M. Vince Shaar, genl mgr-retail sales; Margaret E. Carlson, genl mgr-venture mktg; Martin V. Thomas, genl mgr-sales & mktg svcs.

Foodways National
Boise, Idaho

Marketing personnel: Stanford P. Darger, vp-sales & mktg; Scott D. Mirkin, genl mgr-sales; Douglas C. Haines, genl mgr-mktg, current formulated prods.

Brands/services by agency of record:

Ore-Ida frozen foods
Weight Watchers frozen entrees & desserts

Ad agency: DDB Needham, New York: Darryl Lindbergh, group sr vp.

Weight Watchers International
Jericho, N.Y.

Marketing personnel: Dr. Lelio G. Parducci, vp-mktg, devel; Wayne A. Perra, mgr-natl adv & promo; Michael Schiffmiller, mgr, co-owned adv & promo; Kathy Diamond, asst mktg mgr-promo; Denise L'Hommedieu, asst mktg mgr-adv; Anna Moses, asst mktg mgr, pr.

Corporate media buying: SFM Media Buying Corp., New York: David Tabin, sr vp.

Brands/services by agency of record:

Weight Watchers Intl

Ad agencies: DDB Needham Worldwide, New York: Alan Krinsky, mgmt super; Mary Beth Williams, acct super; D.D. Spencer, acct exec.

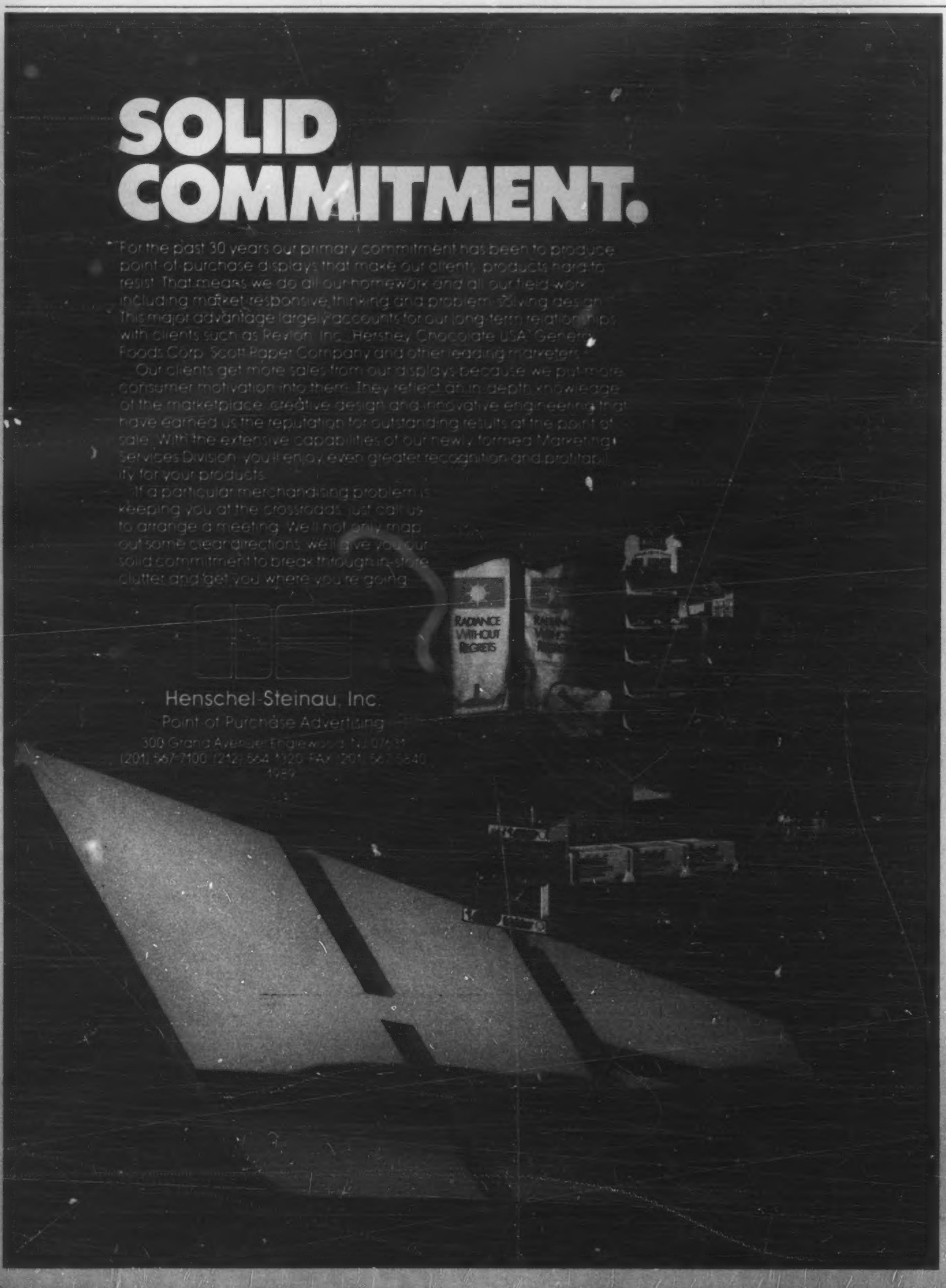
Wunderman Worldwide/Y&R, New York: Richard Stollenwerck, exec vp; Debra Brown, mgmt super; Julie Adams, acct exec.

Manning, Selvage & Lee, New York: Ann Simon, mgmt super; Florence Greenberg, acct super.

Impressions Inc., Roslyn Heights, N.Y.: Diane Gallagher, acct super.

Swift jogs through 100 Leaders

Swift & Co., was the world's largest meat packer when it ranked No. 23 as a 100 Leader in 1956 (it also marketed cheese, Pard dog food, Allsweet margarine and Peter Pan peanut butter), sank below the 100 cut-off in 1970 and did not show up again until 1976 as a division of Esmark Inc. It is now part of BCI Holdings after a stopover at Beatrice Cos.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Henschel-Steinau, Inc.
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1989

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RANK
35

Hershey Foods Corp.

Hershey, Pa.
ADVERTISING: **$298.6** MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	2,168	1,864	16.3
Earnings	214	148	44.4
■ U.S.	1988	1987	% chg
Sales	1,969	1,740	13.2
Operating income	257	239	7.5

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	14,426	6,574	119.4
Newsp supp	702	0	NA
Newspaper	4,234	524	708.3
Outdoor	32	11	195.3
Network TV	36,105	42,616	(15.3)
Spot TV	17,077	26,572	(35.7)
Synd TV	13,180	14,280	(7.7)
Network Cable	2,775	2,288	21.3
Network radio	5,952	3,332	78.6
Spot radio	4,049	3,528	14.8
Measured	98,531	99,723	(1.2)
Unmeasured	200,100	154,400	29.6
Total	298,631	254,123	17.5

Hershey Foods Corp. finally grabbed the candy market lead from Mars Inc. in 1988 with the acquisition of the U.S. confectionery operations of Cadbury Schweppes PLC's and from strong new-product introductions.

Led by Cadbury and its Mounds, Almond Joy and York Peppermint Pattie—all among the U.S. 20 best-selling candy bars—Hershey has achieved a 20.4% share of the U.S. confectionery market, valued at almost $8 billion at the wholesale level.

Competitors Mars and Suchard/Brach hold 18.4% and 7.3% shares, respectively. In the candy bar market, about 65% of the confectionery market, Hershey leads with 44% to Mars' 37%.

Hershey turned to sales promotion to help build its lead. Holding media ad spending basically even, Hershey hiked its promotional budget 34.5% worldwide. Hershey distributed 750,000 full-size candy bars on 170 college campuses for sampling, and placed a 30-second spot for Hershey's kisses at the beginning of the home video release of "Princess Bride."

To focus on its confectionery businesses, Hershey sold its 840-chain Friendly Ice Cream restaurant division in August 1988, to Tennessee Restaurant Corp.

Candy bar launches included Bar None, supported with $6.6 million in measured media, according to LNA/Arbitron. Its first-year sales moved it into the U.S. top 30 candy bars. Symphony, a bar that went into test in California in 1988, will roll national later this year. 5th Avenue, a candy bar acquired with Ludens, went national in 1988, supported with $4.5 million in measured spending.

Hershey's heaviest single brand measured spending was for Kit Kat bar, with slightly more than $9 million, up 29%.

During the year, Hershey shifted its Cadbury brands from Wells, Rich, Greene, New York, to its existing agencies: DDB Needham Worldwide received York Peppermint Patties, Caramello and all Cadbury brand bars.

Ogilvy & Mather, New York, got Mounds and Almond Joy and Cadbury's creme-filled chocolate eggs. Hershey also moved its Hershey Pasta business from regional shop Della Femina, McNamee WCRS, New York, to Weightman Group, Philadelphia.

This year, Hershey began to test a refrigerated chocolate pudding. Hershey's varieties bear the names of its best-selling chocolate bars. The new line goes head-to-head with Kraft General Foods USA's Jello-O Pudding Snacks, which holds 53% of the $156.3 million pudding market that has more than doubled in past two years.

HERSHEY FOODS CORP.
100 Mansion Rd. East
Hershey, Pa. 17033
(717) 534-4000

Hershey Chocolate U.S.A.
Hershey, Pa.

Corporate personnel: Joseph P. Viviano, president.

Marketing personnel: Jay F. Carr, vp-mktg; Michael H. Holmes, genl mgr, grocery prods; Anthony J. Pingitore, genl mgr, special mkts.

Brands/services by agency of record:

Cadbury label items
Caramello
Hershey's fudge topping
Hershey's syrup
Hershey's chocolate milk mix
Kit Kat
Ludens throat drops
Mr. Goodbar
Reese's Pieces
Skor
Whatchamacallit
Y&S candies
York Peppermint Patties
Symphony
New prods (includes refrigerated pudding)

Ad agency: DDB Needham Worldwide, New York: Peter Tate, exec vp; Leo Mamorsky, Emily Cohen, sr vps-mgmt supers; Jeff Hughes, Jeff Saverine, Stephanie Moffett, acct supers.

■

Bar None
Big Block
Easter Eggs
5th Avenue
Giant Kiss
Golden Almond bar
Golden Almond Solitaires
Golden III
Hershey's Kisses
Hershey's milk chocolate bar
Hershey's milk chocolate bar w/almonds
Hershey's milk chocolate w/crisped rice
Hershey's baking chocolate
Hershey's chocolate chips
Hershey's cocoa
Hershey's granola bars
Hershey's miniatures
Marabou milk chocolate rolls
Almond Joy
Mounds
Reese's peanut butter cups
Reese's peanut butter chips
Rolo

Ad agency: Ogilvy & Mather, New York: Michael Vaughn, sr vp-group dir; Gerry Lantz, sr vp-mgmt super; Barbara Wittner, Michael Edmeades, Jane Weiss, vps-acct supers; Tony Macinovich, sr vp-assoc media dir; Steven Lanzano, David Leveton, Lisa Gallant, vps-asst media dirs.

Hershey Pasta Group
Hershey, Pa.

Corporate personnel: C. Mickey Skinner, president-ceo.

Marketing personnel: Clifford K. Larsen, vp-mktg.

Brands/services by agency of record:

American Beauty
Delmonico
Light 'n Fluffy
P&R
San Giorgio
Skinner brands

Ad agency: Weightman Inc., Philadelphia: John Goodchild, president; Andrew Gray, sr vp-mgmt super.

RANK
45

Honda Motor Co.

Tokyo
ADVERTISING: **$243.3** MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	26,434	24,504	7.9
Earnings	737	759	(2.9)

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	47,159	42,701	10.4
Newsp supp	711	389	82.8
Newspaper	3,377	5,584	(39.5)
Outdoor	451	102	340.1
Network TV	91,884	78,065	17.7
Spot TV	14,139	17,063	(17.1)
Synd TV	1,428	1,191	19.9
Network Cable	4,653	5,244	(11.3)
Network radio	1,725	4,360	(60.4)
Spot radio	11,531	4,661	147.4
Measured	177,058	159,360	11.1
Unmeasured	66,200	59,500	11.3
Total	243,258	218,860	11.1

American Honda Motor Co., a subsidiary of Honda Motor Co. Ltd., Tokyo, maintained its lead among Japanese car makers supplying the U.S. market, as it prepared for luxury car competition from fellow countrymen and pushed to revive motorcycle sales.

Honda is readying a variety of 1990 car models, four of which may replace the current line of Accords. It also has kicked off a massive $75 million "Come Ride With Us" campaign to expand its shrinking U.S. motorcycle sales.

Honda's market share for 1988 U.S.-built and import cars (including Acura) was 7.26%, up from 7.22%. That kept it

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And while we've earned a repu-

ahead of Toyota at 6.50%; Nissan, 4.46%; Hyundai, 2.50% and Mazda, 2.42%.

Honda, the first Japanese automaker to assemble cars in the U.S., plans to increase auto sales in this country to 1 million annually by 1992. Sales of 300,000 upscale Acuras are expected to be part of that total. Honda has put on hold plans to expand its Acura dealer association from 285 to 350 by the end of this year because shipments of the car from Japan remain slow due to trade quota restrictions amid heavy consumer demand.

Honda, also the first Japanese company to export a car to Japan, shipped 4,000 Accords from its Marysville, Ohio plant in 1988. The goal is to export 50,000 of the U.S.-made cars to Japan per year by 1991.

Measured media expenditures for 1988 show the best-selling Accord models (114,629 units sold from $11,770 to $15,920) accounted for the major portion of ad support given the Honda line. Its measured spending was $36 million, 65% of it in network and spot TV. The Civic/CRX models (97,962 units sold from $6,385 to $20,930) drew about the same, most of it on network TV and magazines. The Prelude, which sold 52,541 units priced from $13,945 to $18,450, accounted for another $12 million in measured media.

But the Acura line of luxury autos accounted for the lion's share of Honda's 1988 ad budget. Measured media figures show Acura with total expenditures of $56.7 million, about $40 million of which was earmarked to the top-of-the-line Legend, priced at $22,000 to $30,000. Acura's lower-priced Integra models ($11,260 to $15,950) accounted for the remainder.

Acura, currently the only Japanese importer of luxury cars, will lose that distinction this fall when Toyota and Nissan begin selling their upscale cars, the Lexus and Infiniti, respectively.

Acura's response to Lexus and Infiniti will arrive next year with the introduction of a mid-engine sports car, priced $40,000 to $50,000, and assume the flagship status now held by the Legend.

Spending for the Acura division will be up about 30% for the 1989 calendar year, to between $70 million and $80 million, notes the company. U.S. motorcycle sales have declined every year for the past five, from the market's last high of 1.3 million units in 1984 to about 710,000 in 1988. Rising prices have been a factor, with a small 125-cc Honda now selling for $2,100 and the big 1,500-cc Honda Gold Wing touring bike priced at $11,500.

Honda still leads in the shrinking market even though its share dropped to 40.7% from 50.8% in 1987. Industry figures through March 1989, show further losses, down to a 29% share. All major competitors during 1988 achieved market share gains, however. Yamaha was second at 21.5% (up from 19.8%), followed by Suzuki at 13.7% (up from 11.6%), Kawasaki at 12.7% (up from 10.2%) and Harley-Davidson at 9.8% (up from 6.3%).

AMERICAN HONDA MOTOR CO.
100 W. Alondra Blvd.
Gardena, Calif. 90247
(213) 327-8280

Corporate personnel: Automobiles: Koichi Amemiya, president. Motorcycles: John Petas, sr vp. Power equipment: Shoichi Tanaka, sr vp; Terry Mulligan, vp.

Marketing personnel: Automobiles: T. Okusa, exec vp; Thomas Eliot, exec vp-auto operations; Edward R. Taylor, vp-Acura sales; Eric Conn, auto adv mgr; Kurt Antonius, pr mgr; Bob Butorac, pr admin. Motorcycles: Ray Blank, asst vp-mktg; Wayne Toyota, natl adv mgr; Gary Mathers, motorcycle sports comm mgr. Power equipment: Steve Bailey, sr adv & sales operations mgr; Jess Hass, asst adv mgr; Rob Clum, natl field sales mgr.

Brands/services by agency of record:

Power equipment
Motorcycles
Scooters
ATVs

Ad agency: Dailey & Associates, Los Angeles: Dennis Kanagae, Dean Thompson, vps-mgmt supers; Andrew Halpern, acct super; Danny Fujimori, sr acct exec; Deborah Heisman, acct exec. Power equipment: Roger Van Remmen, mgmt super; John O'Mera, acct super; John Wight, asst acct exec.

■

Acura autos

Ad agency: Ketchum Advertising, Los Angeles: Craig Mathiesen, president; Peter Goodwin, Kevin Kitagawa, vps-group acct supers; Tim Hart, exec vp-coo-client svcs dir; Linda Malley, Peter Gottfried, acct supers; Mike Mincin, sr acct exec; Giovanna Minghetti, Katie Sweeney, acct execs.

■

Honda autos

Ad agency: Rubin, Postaer & Associates, Los Angeles: Chuck Valentine, sr vp-group acct dir; Steve Woolford, vp-acct dir; David Jenkins, vp-special projects; Steve Straley, Julie Boston, Joan Egan, Ron MacMillan, vps-acct supers; Larry Black, tech svcs mgr; Alfred Valdez, tech svcs asst; Ted Craddock, Sandy Edelstein, Tony Janowski, Patti Kirk, Dan McLaughlin, Joe Sajbel, David Patchen, acct execs.

RANK
51

Hyundai Group

Seoul, S. Korea
ADVERTISING: $204.5 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	7,713	6,383	20.8

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	11,170	8,110	37.7
Newsp supp	25	0	NA
Newspaper	14,304	13,503	5.9
Outdoor	369	440	(16.1)
Network TV	36,508	13,205	176.5
Spot TV	73,305	76,487	(4.2)
Synd TV	1,278	0	NA
Network Cable	479	0	NA
Network radio	0	0	NA
Spot radio	8,459	4,797	76.3
Farm pub	0	0	NA
Measured	145,897	116,542	25.2
Unmeasured	58,600	46,800	25.2
Total	204,497	163,342	25.2

Hyundai Motor America, the U.S. sales arm of the South Korean car-maker that rose to the No. 4 auto importer in the U.S. by the end of 1988, has stumbled temporarily in trying to move up in class.

Hyundai dealers have been hard hit since early 1989 by falling sales, largely due to delayed and inadequate shipments of the more upscale 1989 Sonata and some ill-timed advertising for its launch last fall.

Sales for the first six months of 1989 are expected to be about 100,000 units, down 32% from mid-year levels in 1988. Hyundai has scaled back projected sales of 300,000 to 220,000 units for 1989. Of the total, Sonata sales have been revised from 80,000 to 40,000. Forecasts call for sales of 350,000 cars in 1990.

Some of the once-exclusive Hyundai outlets are converting to dual dealerships, concessions unheard of from a company that four years ago sifted through thousands of dealer applications and required standalone facilities costing millions.

Hyundai, which increased its ad support 25% in 1988, earned a 2.50% share of the total U.S. auto market in 1988, down from 2.58% the prior year. American Honda led importers with a 7.26% share of the overall auto market. Hyundai also is trying to hold its market share by pushing consumer rebates and dealer cash and incentive programs.

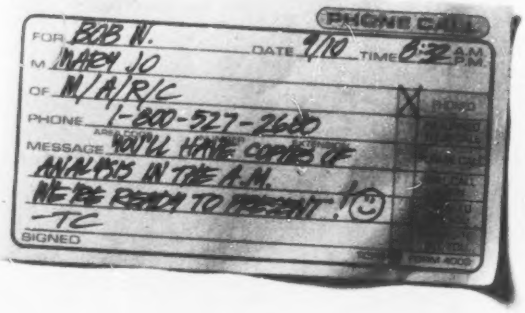
The front-wheel-drive Sonata represents Hyundai's first step toward becoming a full-line marketer. The 2.4-liter sedan, priced from $9,695 to $11,695 (compared with $5,500 for the Excel), is positioned against such imports as Toyota Camry, Honda Accord and Mazda 626.

By 1990, Hyundai will market three lines: the compact-to-mid-size Sonata; a new generation sub-compact Excel to debut this fall; and a sporty coupe, built on the Excel platform, to be launched in early 1990.

Hyundai's dealer expansion program currently is on hold. After plans to go from 280 dealers in 42 states to 350 in all 48 contiguous states in 1989, the company will close out the year with 325 dealers who made an average investment of $2.9 million per outlet.

Dealer relations were bruised early this year with news that Chrysler Motors' Jeep-Eagle outlets will get their own version of the Sonata. An annual supply of 30,000 units will come from Hyundai's Bromont, Quebec assembly plant, denying U.S. dealers exclusive rights to that model.

Dealers had counted on Sonata to draw fresh showroom traffic after three years of



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M/A/R/C
Marketing And Research Counselors

selling essentially the same model of the subcompact Excel. They even lack exclusivity with the Excel: Mitsubishi Motor Sales of America currently takes annual shipment of 30,000 Excels, which it calls the Precis.

Such supply situations are the result of cross-ownership and multiple partners. Chrysler owns a 25% share of Mitsubishi and Mitsubishi holds a 15% share in Hyundai. Gaining a Korean model is a small step in Chrysler's attempt to broaden the appeal of its Jeep-Eagle division.

AA's advertising estimates for Hyundai exclude $26 million spending by local dealers, but include the corporate co-op portion of $38.4 million spent by the Hyundai dealers association. These expenditures were in spot TV and newspapers, according to LNA/Arbitron.

Dealers were further handicapped by bad timing of a national ad campaign last fall. Hyundai broke a campaign during the Olympic telecasts from Seoul in September that featured new commercials for Excel, corporate spots and an announcement that the Sonata would be "Coming Nov. 14." However, because of a two-month strike in the summer of 1988, the Sonata arrived much later. Hyundai executives admit the launch did not go well.

Current monthly shipments of 4,000 to 4,500 Sonatas still lag projections of 8,000. Dealers are told availability will improve this fall when Hyundai Motor America nears full production of the car at the Quebec plant.

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HYUNDAI MOTOR AMERICA
7373 Hunt Ave.
Garden Grove, Calif. 92642
(714) 890-8000

Corporate personnel: H.W. Baik, president-ceo; Greg Warner, exec vp-coo; Mark Juhn, exec vp-chief coordinator to ceo.
Marketing personnel: Art Meissner, group vp-natl sales mgr; Jack Collins, vp-mktg [illegible]eph Corey, natl adv mgr.
Brands/services by agency of record:

Hyundai autos

Ad agency: Backer Spielvogel Bates Worldwide, Irvine, Calif.: Mike Roche, exec vp-western region dir; Harry Grusche, sr vp-mgmt rep, natl advertisers; Jim Sanfilippo, sr vp-mgmt rep, dealer assns; Brad Booth, Doug McFetters, acct execs.

RANK
50

IBM Corp.

Armonk, N.Y.
ADVERTISING: $214.4 MILLION

Sales & earnings
($ in millions)

Worldwide	**1988**	**1987**	**% chg**
Sales	59,681	55,256	8.0
Earnings	5,806	5,258	10.4

U.S.	**1988**	**1987**	**% chg**
Sales	25,320	25,504	(0.7)
Operating income	1,408	1,936	(27.3)
Division sales	**1988**	**1987**	**% chg**
Processors	15,239	14,052	8.4
Peripherals	11,280	10,186	10.7
Workstations	11,315	10,370	9.1
Software	7,927	6,836	16.0
Maintenance svcs	7,347	7,691	(4.5)
Other info tech	4,477	3,816	17.3
Federal systems	2,065	2,238	(7.7)
Other	31	67	(53.7)

U.S. advertising by media
($ in thousands)

Media	**1988**	**1987**	**% chg**
Magazine	32,295	35,389	(8.7)
Newsp supp	2,335	858	172.0
Newspaper	17,130	18,133	(5.5)
Outdoor	22	95	(77.1)
Network TV	52,181	53,738	(2.9)
Spot TV	2,296	1,546	48.2
Synd TV	12	38	(68.3)
Network Cable	154	472	(67.3)
Network radio	5,446	5,434	0.2
Spot radio	201	469	(57.1)
Measured	112,081	116,175	(3.5)
Unmeasured	102,300	106,000	(3.5)
Total	214,381	222,175	(3.5)

International Business Machines was back in the driver's seat in 1988 with successful product introductions. And a new focus on solutions-based advertising surfaced early in 1989 in ads from Lintas:New York and Wells, Rich, Greene, New York, IBM's two new agencies.

New TV spots from WRG aired in April 1989 featuring actors representing IBM customers, who describe a problem and then explain how IBM solved it. Print ads, photographed by Richard Avedon, follow a similar approach. Analysts call the ad strategy a good one.

"Solutions advertising is a lot more sensible than what they had," says Brian Jeffrey, managing director of International Technology Group, Los Altos, Calif. "Dropping the 'M*A*S*H' characters was a thoroughly good idea."

Solutions advertising is replacing "The Bigger Picture" slogan, which was the heart of IBM's measured $33 million in corporate general spending in 1988. That total was down 16% from 1987.

IBM also is using "When you're thinking ahead, you're thinking IBM," which closes its newest commercials for Personal System 2. That system accounted for IBM's single biggest expenditure in 1988 with $36 million in measured media, according to LNA/Arbitron.

In the $28.7 billion U.S. market for personal computers, IBM held a 15.9% revenue share in 1988, vs. a 29.7% share of an $18.5 billion PC market in 1987. No. 2 Apple Computer held a 12.4% share in 1988, down from 14% in 1987, according to San Jose, Calif.-based Dataquest.

Analysts say IBM lost control of the original PC market when clone-makers duplicated IBM technology to create lower-cost compatible machines. Together, IBM clone makers, led by Compaq Computer Corp. with a 7% share of the PC market in 1988, now control more than double IBM's share of PC sales.

However, IBM is fighting back with the development of proprietary Micro Channel architecture, which IBM hopes to establish as a new industry standard.

The clone-makers are expected to fight back when the Compaq-led Extended Industry Standard Architecture (EISA) group of nine PC-compatible makers introduces its first versions of a rival PC standard later this year.

Jay P. Stevens, analyst at Dean Witter Reynolds, New York, predicts IBM will win the battle to become the standard for the new 32-bit operating systems.

"We expect Micro Channel to be the winner (over EISA) because the first company to introduce a product usually is the one that wins," he says. Mr. Steven's on-going "intention to buy" surveys of large end-users indicate that IBM has been gaining more than its share of planned PC purchases since February 1989, he says.

"Through all of 1988, IBM had steadily lost ground to Compaq and Apple Computer Corp. in planned purchases, bottoming out in January 1989. Since February, IBM has been coming back nicely," he adds.

IBM also has reason for optimism in mini and super-minicomputers with the introduction in June 1988 of the Applications System 400 series. AS/400 complements the larger IBM 9370 Information System, which IBM began shipping in March 1988, by permitting enhanced communications capabilities throughout the IBM line, analysts say.

AS/400 received $12 million in 1988 measured media, according to LNA/Arbitron. A new campaign for AS/400 was launched early in 1989 by WRG.

IBM's share of the $3 billion market for minicomputers grew to 37% in 1988 from 25.7% in 1987. IBM's share of the $3.2 billion market for super-minis grew to 36.5%, up from 30.6% in 1987.

In the $11.7 billion market for corporate mainframes, IBM still leads with a 52.6% share of revenue, compared with 68.3% in 1987.

IBM moved all product advertising to Lintas:New York and corporate advertising to WRG, New York, in September 1988. Both accounts previously had been handled at Lord, Geller, Federico, Einstein, New York. Media buying for both print and TV also went to Lintas:New York from LGFE.

IBM CORP.
Old Orchard Rd.
Armonk, N.Y. 10504
(914) 765-1900

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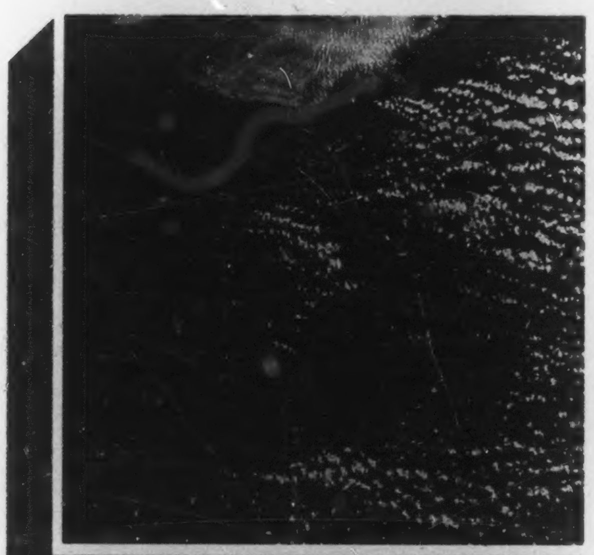

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St. Petersburg
TIMES
Tampa Bay's Largest Newspaper

Corporate personnel: Mary Lee Turner, dir-comm; Calvin C. LaRoche, dir-adv; Michael C. Gury, dir-adv & promo operations.
Marketing personnel: George H. Conrades, sr vp, genl mgr-US mktg & svcs; William O. Grabe, vp, asst genl mgr-mktg; James C. Reilly, genl mgr-mktg plans & comm; Byron G. Quann, dir-mktg comm; Jamesy J. Garrity, dir-adv; Barbara A. Clark, mgr, desktop systems adv; Thomas B. Heckel, mgr, industries adv; Lee D. Green, mgr, marketplace adv; William H. Harrison, mgr, systems & software adv; Merle B. Gordon, mgr-corp adv.
Brands/services by agency of record:
Desktop prods
Ad agency: Lintas:New York: Stephen Norcia, exec vp-president

■

Corp adv
Mktg image adv
Mainframes
Telecommunications
AS/400 computers
Software
Ad agency: Wells, Rich, Greene, New York: David Sklavar, exec vp; Judi Francis, sr vp; Mary Moran, vp.

Systems Intergration Division
Marketing personnel: Steve Eames, mgr-mktg comm; Judy DeHaas, program mgr-adv.
Brands/services by agency of record:
Systems Integration Division
Ad agency: HDM, New York: Jim Rosiello, vp.

RANK
92

ITT Corp.

New York
ADVERTISING: **$115.9 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	19,355	18,195	6.4
Earnings	817	965	(15.3)
■ U.S.	**1988**	**1987**	**% chg**
Sales	13,820	13,284	4.0
Operating income	915	784	16.7
■ Division sales	**1988**	**1987**	**% chg**
Automotive	2,790	2,437	14.5
Electronic components	1,152	1,061	8.6
Fluid technology	839	741	13.2
Defense technology	1,387	1,279	8.4
Pulp, timber	1,084	847	28.0
■ Division sales	**1988**	**1987**	**% chg**
Insurance	8,553	8,345	2.5
Finance	1,479	1,292	14.5
Communications & info services	1,086	896	21.2
Hotels	773	744	3.9

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	7,767	12,334	(37.0)
Newsp supp	59	287	(79.4)
Newspaper	7,635	10,230	(25.4)
Outdoor	1,263	1,310	(3.6)
Network TV	11,099	8,160	36.0
Spot TV	9,549	11,006	(13.2)
Synd TV	59	37	58.2
Network Cable	534	962	(44.5)
Network radio	170	363	(53.3)
Spot radio	306	2,105	(85.5)
Measured	38,440	46,795	(17.9)
Unmeasured	77,500	94,300	(17.8)
Total	115,940	141,095	(17.8)

ITT is no longer the quintessential conglomerate, and its new advertising reflects its more compact look.

Early this month, ITT unveiled new ads with tag line: "Building Businesses into Leaders." The campaign is appropriate if, perhaps, 18 months late. Company executives began concentrating full time on that task in 1988.

Today's ITT is far from the conglomerate built by Harold Geneen in the 1960s and early 1970s. Rand V. Araskog, chairman-CEO, spent much of the last five years selling off such groups as baked goods, cosmetics and consumer appliances while fine-tuning others.

ITT's advertising declined an estimated 18% in 1988, largely the result of reduced spending at Hartford Insurance Group, ITT's biggest unit. Reflecting the general downturn in the domestic insurance industry, Hartford cut its measured spending to $6.5 million, a drop of 40%, as total insurance premium revenues remained level with the prior year. The company's other major advertiser that showed a decline in year-to-year spending was its business and technical schools, which drew $6.1 million in 1988, down 8.3%.

Sheraton Hotels remained ITT's biggest spender. The chain received about $18 million in measured media, up 7.8%. The group continued its strong performance, and opened major new hotels in Long Beach, Calif. and in Australia, China and Japan.

ITT CORP.
320 Park Ave.
New York, N.Y. 10022
(212) 752-6000

Marketing personnel: Juan C. Cappello, sr vp-corp relations; Stephen A. Ehrenberg, dir-corp comm.
Brands/services by agency of record:
Corp adv
Ad agency: Wells, Rich, Greene, New York: Frank Sampogna, acct group head; Fariba Tehrani, acct exec.

Hartford Insurance
Hartford, Conn.
Marketing personnel: John J. Daly, asst vp-corp comm.
Brands/services by agency of record:
Hartford Insurance
Ad agency: McCaffrey & McCall, New York: Bruce Sherman, sr vp; Diane Stec, acct exec.

Sheraton Corp.
Boston
Marketing personnel: Robert Collier, sr vp, dir-mktg; Robert Quinn, vp, dir-corp comm.
Brands/services by agency of record:
Sheraton hotels
Ad agency: Wells, Rich, Greene, New York: Frank Sampogna, exec vp, Sheraton group head; Eileen McKenna, sr vp-mgmt super.

RANK
20

Johnson & Johnson

New Brunswick, N.J.
ADVERTISING: **$468.8 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	9,000	8,012	12.3
Earnings	974	833	16.9
■ U.S.	**1988**	**1987**	**% chg**
Sales	4,576	4,167	9.8
Operating income	627	600	4.5
■ Division sales	**1988**	**1987**	**% chg**
Consumer	3,692	3,398	8.7
Pharmaceutical	2,338	1,993	17.3
Professional	2,970	2,621	13.3

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	30,636	32,816	(6.6)
Newsp supp	2,679	853	214.2
Newspaper	5,078	572	788.5
Outdoor	77	137	(43.3)
Network TV	167,276	181,999	(8.1)
Spot TV	10,903	8,953	21.8
Synd TV	12,810	13,727	(6.7)
Network Cable	4,274	2,569	66.4
Network radio	1,065	138	671.0
Spot radio	337	1,349	(75.0)
Measured	235,135	243,111	(3.3)
Unmeasured	233,700	200,000	16.9
Total	468,835	443,111	5.8

Johnson & Johnson generated considerable new product growth in each of its three business sectors in 1988, but its bid for dominance in the external sanitary protection market failed when it withdrew from its bid to take over Playtex Family Products.

There may still be pressures on J&J "to increase critical mass" with the heavy consolidation in the pharmaceutical industry, says Robert Goldman, analyst with Dean Witter Reynolds.

"Certainly, Johnson & Johnson is looking to move its ethical pharmaceutical business into the consumer segment," says Mr. Goldman, noting that many pharmaceutical companies are scheduled to lose patent protection on dozens of major products in the 1990s. To that end, J&J formed a joint venture with Merck & Co., the world's largest pharmaceutical company, to develop and market consumer versions of prescription drugs.

Imodium A-D, introduced in 1988, is the result of a joint development effort between J&J's McNeil Consumer Products, makers of Tylenol, and Janssen Pharmaceutical, maker of Imodium, the U.S.'sleading anti-diarrheal prescription.

In the consumer sector, the company credits the introduction of Imodium A-D and new adult Tylenol products, especially Tylenol gelcaps, with boosting 1988 sales 8.7%.

McNeil continues to lead the $2.4 billion analgesic market where its Tylenol brand, an acetaminophen, is estimated to have a 30% share of market, down from 33% in 1987, analysts say.

Acetaminophen and aspirin products account for 40% each of the pain killer market while ibuprofen accounts for 20%.

Key competitors are American Home Products Corp.'s Advil, an ibuprofen, with a 12% share of the analgesics market and Sterling Drug's Bayer aspirin and Bristol-Myers' Excedrin aspirin products, each with 7%.

Total Tylenol ad spending was $65 million, up 16.7%. Advil was the next largest analgesics advertiser at $47.4 million. Tylenol gelcaps gained momentum via a $16 million ad campaign with the line: "It's not a capsule, it's better." The campaign claims the gelcaps are 33% smaller than capsules.

Of the Tylenol total, Regular Strength Pain Reliever rose to $40 million in media support, up from $17.6 million, according to LNA/Arbitron.

McNeil introduced in 1988 Tylenol Cold, a new name and new package for the no-drowsiness formula cold products, formerly known as CoTylenol. Ad budget over the product's two lives remains flat.

New Tylenol Extra Strength Antacid debuted last November as a new entry being tested in the effervescent antacid field supported by TV spots themed: "It makes fast work of an upset stomach." Miles' Alka-Seltzer owns 13% of the total $870 million antacid category. If the new Tylenol product is rolled out nationally, it will be the first effervescent antacid to debut nationally since the 1960s.

McNeil also cut Medipren's ad budget 16.4% to $30 million in 1988. The ibuprofen product holds 2.5% of the total analgesic market and 13% of the ibuprofen market. Advil has a lock on the ibuprofen market with 50% share, followed by Nuprin 21% and then Medipren. New Sine-Aid Maximum Strength tablets and capsules were introduced with $3.8 million in ad support as spending shifted out of Sine-Aid Sinus Remedy. Total Sine-Aid ad expenditures rose 26.8% to $6 million.

J&J's introduced Purpose lotion, which combines a moisturizer with a sunscreen, as a cooperative effort of J&J's Baby Products Co. and Ortho Pharmaceutical's dermatological division.

J&J sees Purpose as a strong tie-in candidate with Retin-A, Ortho Pharmaceutical's prescription product for the topical treatment of acne. Retin-A dries the skin and makes it more susceptible to sunburn.

Dean Witter's Mr. Goldman also sees Sundown sunscreen as another companion product for Retin-A. J&J introduced Sundown in March 1989, with a $14 million launch.

Once J&J gets anti-cancer approval from the Food & Drug Administration for its Retin-A, it is expected to develop it on a mass market basis similar to Imodium A-D. The FDA has approved Ortho's marketing of a new low-dose Retin-A prescription cream for acne treatment.

J&J's personal products division still holds the lead in external sanitary protection at 37% of retail sales in 1988 against intense competition from Procter & Gamble's Always brand at 26% and Kimberly-Clark's Kotex line at 24%.

A convenient dispenser package for Care Free Panty Shields was introduced in 1988, receiving $8.2 million in ad support, up 25%. The total ad budget for sanitary products was slashed from $33.7 million in 1987 to $15.7 million. Sure and Natural maxi-pads spending was cut from $9.3 million in 1987 to under $200,000 in 1988.

JOHNSON & JOHNSON
1 Johnson & Johnson Plaza
New Brunswick, N.J. 08933
(201) 524-0400

Johnson & Johnson Health Care
Corporate personnel: J.J. Siemsen, president.
Marketing personnel: J.J. Guidone, vp-sales; R.E. Whittaker, vp-prod mgmt.
Brands/services by agency of record:
J&J Health Care
Ad agency: Young & Rubicam, New York: Barbara Islim, acct super; Jennifer Podger, acct exec.

Johnson & Johnson Orthopaedics
Corporate personnel: A.J. Prince, president.
Marketing personnel: G.K. Kunkle, vp-sales & mktg.
Brands/services by agency of record:
J&J Orthopaedics
Ad agency: Simms & McIvor, Somerville, N.J.: Gene Hollen, acct exec.

Johnson & Johnson Patient Care
Corporate personnel: A.C. Grieve, president.
Marketing personnel: J.J. Bohan, vp-sales & mktg; M.K. Clanton, Nino Pionati, group prod dirs.
Brands/services by agency of record:
General wound care
Ad agency: Simms & McIvor, Somerville, N.J.: Gene McGloughlin, vp-acct super.

■

Advanced wound care
Ad agency: McAdams, Richman & Ong, Bala Cynwyd, Pa.: Robert D'Emilio, vp-acct mgr.

■

Surgical prods
Ad agency: Kallir, Philips, Ross, New York: Meryl Fischman, sr vp-mgmt super.

Johnson & Johnson Baby Products Co.
Corporate personnel: W.C. Egan, president.
Marketing personnel: W.M. Carpenter, vp-mktg; S.L. Coleman, mktg dir.
Brands/services by agency of record:

Po~Boys?

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* Source: Department of Economics and Business Research, Southeastern Louisiana University

The Times-Picayune's Weekly Coverage of the New Orleans Food Market:

	%
Grocery Shoppers Past 7 Days	94%
Adults Who Spend $100 Or More A Week On Food	91%

Source: Belden CMS, Mar.-Dec. 1988

The Times-Picayune

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No More Tangles
Swabs

Ad agency: Lintas:New York: Ian McGregor, exec vp; Russell Schaffer, sr vp-mgmt super; Katherine Persky, acct super.

■

Baby lotion
Baby oil
Baby powder
Baby sunblock
Purpose
Shower to Shower
Sundown

Ad agency: Young & Rubicam, New York: Anne Zopfi, group dir; Susan Machtiger, mgmt super; Tim Munoz, acct super; Edith Benzimra, Kary Fletcher, acct execs.

McNeil Consumer Product Co.
Fort Washington, Pa.

Marketing personnel: C.D. Simonds, president; J.T. Lenehan, vp-mktg; B.D. Perkins, dir-prod mgmt; S.J. Fanning, natl sales mgr; V.E. Brunell, exec dir, professional sales & mktg; J.L. Strickler, dir-mktg rsch; E.C. Watson, dir-comm; G.E. Griffiths, dir-sales promo devel & planning.

Brands/services by agency of record:

Adult Tylenol
Children's Tylenol
Delsym
Tylenol cold
Tylenol sinus
Sine-Aid

Ad agency: Saatchi & Saatchi Advertising, New York: Tom Lom, exec vp-mgmt dir; Joe McCarthy, vp-mgmt super; Linda Honan, Mary Alice LuDuc, sr vps-mgmt supers.

■

Imodium A-D
Medipren

Ad agency: Lowe Marschalk, New York: Barry Linsky, exec vp; Robert Petersen, vp-mgmt super; Mike D'Souza, Amy Earl, acct supers.

■

Pediacare

Ad agency: Cadwell Davis Partners, New York: Franchellie Cadwell, president; Herman Davis, chmn-creative dir; Eliot Glazer, sr vp, dir-acct svcs.

■

Sesame Street Vitamins

Ad agency: Susan Spindler Advertising, Weston, Conn.: Susan Spindler, president.

■48

Imodium A-D professional
Pediacare professional
Adult Tylenol professional
Children's Tylenol professional

Ad agency: Kallir, Philips, Ross, New York: John Racik, exec vp-mgmt dir; Lenora Harris-Field, Virginia Foley, vps-acct supers.

■

Hispanic adv

Ad agency: Mendoza, Dillon & Asociados, Newport Beach, Calif.: Richard E. Dillon, president; Robert Howells, vp-acct svcs.

McNeil Pharmaceutical
Spring House, Pa.

Marketing personnel: C.E. Williams, vp-prod mgmt; J.A. Kitchen Jr., vp-sales; J.C. Vaughan, natl sales mgr; E.R. Steel, exec dir-corp comm; D.A. Wissner, exec dir-mktg rsch; T.L. Bishop, exec dir-prod mgmt.

Brands/services by agency of record:

Tylenol acetaminophen w/codeine
Tylox oxycodone HC1 & acetaminophen
Pancrease pancrelipase
Vascor bepridil hydrochloride

Ad agency: Botto, Roessner, Horne & Messinger, New York: Robert J. Botto, president.

■

Haldol haloperidol
Parafon Forte DSC chlorzoxazone
Myoscint mifarmonab

Ad agency: Kallir, Philips, Ross, New York: Norman Cooper, president.

■

Tolectin tolmetin sodium

Ad agency: Thomas G. Ferguson Associates, Parsippany, N.J.: John F. Zweig, exec vp-coo.

Personal Products Co.
Milltown, N.J.

Marketing personnel: G. Petronio, chmn; Francis G. Ziegler, president; M.H. McGuire, vp-mktg; C.C. Bergmann, J.D. Curtiss, mktg dirs; D.P. Fraser, mktg rsch dir.

Brands/services by agency of record:

o.b. tampons

Ad agency: Cadwell Davis Partners, New York: Eliot Glazer, sr vp, dir-acct svcs.

■

Assure & Natural Breathable panty liners
Carefree panty shields
Sure & Natural maxishields

Ad agency: Young & Rubicam, New York: Anne Zopfi, group dir.

■

Serenity Guards

Ad agency: Lintas:New York: Ian McGregor, exec vp-client svcs.

■

Stayfree maxi-pads
Stayfree mini-pads
Stayfree Silhouettes maxi-pads
Stayfree Silhouettes Thins
Stayfree Thins

Ad agency: Saatchi & Saatchi Advertising, New York: David Basch, exec vp-mgmt dir.

Johnson & Johnson Dental Care Co.
New Brunswick, N.J.

Marketing personnel: C.A. Spalding, president; J.J. Gallagher, vp-mktg & sales.

Brands/services by agency of record:

J&J Dental Care Co.

Ad agencies: Cadwell Davis Partners, New York: Eliot Glazer, sr vp, dir-acct svcs.

Gross, Townsend, Frank & Hoffman, New York: Risa Janoff, sr acct mgmt.

Lowe Marschalk, New York: Barry Linski, exec vp-mgmt dir.

Ortho Pharmaceutical Corp.
Raritan, N.J.

Marketing personnel: Eric Milledge, vp.

Brands/services by agency of record:

Ortho Pharmaceutical Corp.

Ad agency: Kallir, Philips, Ross, New York: Jim Linzer, vp-acct super.

Advanced Care Products Division

Marketing personnel: Harry Allan, dir-new prods; Rosemary Black, Jill Lesko, Steve Seiden, franchise dirs.

Brands/services by agency of record:

Fact Plus home pregnancy test
Micatin antifungal prods

Ad agency: McCann-Erickson, New York: H.L. O'Brien, sr vp-mgmt rep.

Dermatological Division

Marketing personnel: L.W. Riley, vp.

Brands/services by agency of record:

Dermatological div

Ad agency: Kallir, Philips, Ross, New York: Jim Linzer, vp-acct super.

Biotech Division

Marketing personnel: Rich Zahn, dir-sales & mktg.

Brands/services by agency of record:

Ortho Biotech

Ad agency: Kallir, Philips, Ross, New York: Jim Linzer, vp-acct super.

Chicopee
New Brunswick, N.J.

Marketing personnel: D.M. Lehman, vp-mktg, specialty prods div; R.I. Munoz, vp-mktg, affiliate div; J.R. Rinaldi, vp-mktg, private label div.

Brands/services by agency of record:

Chicopee

Ad agency: ST&L Associates, New Brunswick, N.J.: Howard Rich, acct exec.

Codman & Shurtleff
Randolph, Mass.

Marketing personnel: A.D. Stewart, vp-prod mgmt; D.G. Williams, mgr-mktg comm.

Brands/services by agency of record:

Codman & Shurtleff

Ad agency: Chalfin, Kostopelos & Gilmore, Boston: Barry Chalfin, acct exec.

Ethicon Inc.
Somerville, N.J.

Marketing personnel: R.W. Croce, group vp; D.R. Murray, vp-mktg.

Brands/services by agency of record:

Ethicon

Ad agency: Kallir, Philips, Ross, New York: Meryl Fischman, sr vp-mgmt super.

Surgikos Inc.
Arlington, Texas

Marketing personnel: J.D. Terry, vp-sales; R.C. Neil, vp-prod mgmt.

Brands/services by agency of record:

Surgikos

Ad agency: Pierce Davis, Arlington, Texas: Bill Pierce, mgmt super.

RANK
98

S.C. Johnson & Son

Racine, Wis.
ADVERTISING: $111.6 MILLION

U.S.advertising by media
($ in thousands)

Media	1988	1987	%chg
Magazine	16,278	16,025	1.6
Newsp supp	2,393	1,087	120.2
Newspaper	2,370	363	552.5
Outdoor	269	0	NA
Network TV	18,783	20,862	(10.0)
Spot TV	11,875	9,892	20.0
Synd TV	3,582	4,103	(12.7)
Network Cable	1,925	878	119.3
Network radio	1,479	1,957	(24.4)
Spot radio	3,116	1,903	63.7
Measured	62,071	57,068	8.8
Unmeasured	49,500	45,500	8.8
Total	111,571	102,568	8.8

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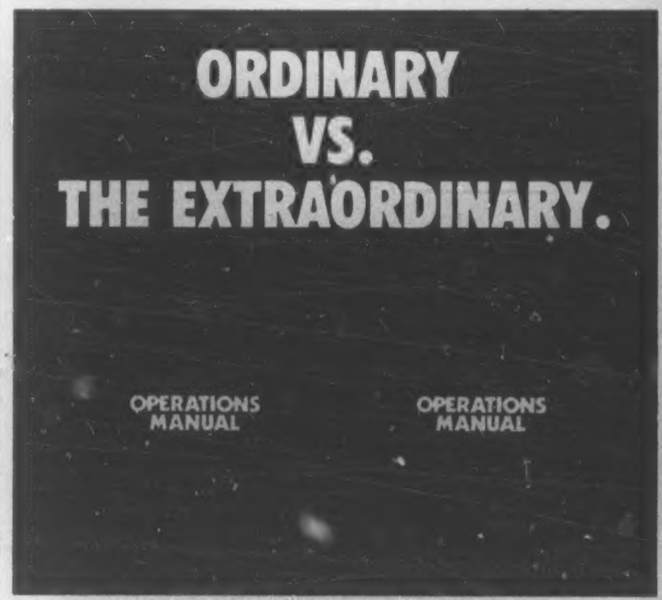
* Mass Media Research, September,1988



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S.C. Johnson & Son spent 1988 developing new niches for its well-established product lines and spinning off subsidiaries it felt had plateaued.

Divestitures included Johnson's 50% stake in Rydelle-Lion that went to Japan's Lion Corp. this June; Glade Litterfresh, a powdered cat-box deodorizer, to Edward Lowe Industries in February 1989; and Fiberall bulk-laxative line to Ciba-Geigy Corp. in August 1988.

The Rydelle-Lion joint venture was set up in 1985 to market Lion's Zact smokers toothpaste and Check-Up antiplaque and anti-gingivitis toothpastes and chewing gum, acquired by Johnson from Minnetonka Corp. in 1987. Both Zact and Check-Up each hold less than 1% share of the $1 billion toothpaste category.

Aveeno and Rhuli skincare products, and 9-1-1, a line of first aid creams and sprays testing on the West Coast, have been folded into Johnson's personal-care products division, though Rydelle still remains a Johnson subsidiary. "We're not sure what we'll do with Rydelle," says James May, corporate public relations manager.

Johnson's search for a major agency to handle virtually all its U.S. consumer products advertising ended May 1989, with the consolidation of $90 million in billings at longtime Johnson agency Foote, Cone & Belding, Chicago. The reassignment of $40 million in billings capped two years of agency switching by Johnson and epitomizes its plan to streamline operations in the U.S. and overseas.

Losing out were J. Walter Thompson USA, Chicago, which had Soft Sense and Edge, and Lotas Minard Patton McIver, New York, which handled Halsa, Curel and Agree. Pledge and Glade were unassigned since mid-1988, when the brands were abruptly removed from Dawson Johns & Black, Chicago.

Johnson's Pledge furniture polish led the home-care division in measured media with $8.9 million, double its support from 1987. Pledge commands an estimated 40% of the $145 million (manufacturers' level) furniture wax and polish category.

Between Future and Brite, the No. 2 and 3 brands, respectively, Johnson holds an estimated 60% share of the $96.2 million (manufacturers' level) floor-care category, one that has been declining at a rate of 3% annually, noted Kline & Co. consultant Gregory Good. Measured support behind Future declined 10.4% to $1.6 million in 1988, while support for Brite doubled to $3.5 million.

Glade, Johnson's air freshener line, received more than $3 million in measured media spending in 1988, a sharp contrast to 1987 when the company spent only $140,000 in media. Glade retained an estimated 14% of the $300 million (manufacturers' level) air freshener category aided by strong introductory sales of Glade Potpourri aerosol spray.

Johnson in April broke a $10 million campaign introducing Raid Max, a premium line of insecticides aimed directly at American Cyanamid Co.'s Combat in the $500 million business. Raid has 48% of the category to a climbing 22% for Combat. The Raid line received more than $16 million in media spending in 1988, up 23%.

Category sales of insect repellent are expected to jump 10% to $55 million in 1989, driven by a rebounding mosquito population and fear of Lyme disease, which is transmitted by ticks. Johnson's Off! line has more than a 50% share of the category.

In the haircare market, which grew 7% to $4.2 billion in 1988, Johnson slipped to an overall 3.8% share in shampoos and 5.2% in conditioners (supermarket sales only), according to Diana Temple, a Salomon Bros. analyst.

Ad support for Halsa dwindled from more than $13 million in 1985 to virtually nothing in 1987. Last September, Johnson broke a new $5 million TV and print campaign for Halsa to thwart further share erosion. Halsa shampoo's 1988 share dropped to 2.0% of the $1.36 billion (supermarket sales) segment, while the companion conditioner fell to a 2.4% share of the $610 million conditioner segment (supermarket sales) from almost a 3.4% share in 1987.

The company in January 1989, broke a $4 million TV and print campaign for new keratin-enriched Agree shampoo and hair conditioner. Agree shampoo in 1988 had only a 1.8% share of supermarket dollar sales, while the conditioner held a 2.7% share, according to Ms. Temple.

Johnson in April 1989, introduced Soft Sense Shave Gel, a shaving product aimed at women and positioned as providing a clean shave with less irritation than other shaving products. The product is viewed both as a line extension to Soft Sense body lotion brand and a boost to Johnson's overall share of the $250 million (supermarket sales) shaving preparation category. Edge, whose patent expired, doubled its measured spending to $2.5 million in 1988. It remained category leader at 27%.

Johnson introduced Edge Soothing After Shave with Aloe, the first mass-marketed after-shave product to be formulated without alcohol.

Johnson, the third-ranked hand lotion marketer, in 1988 held a 10.2% share for its Curel and Soft Sense brands in the estimated $641 million (supermarket sales) category, down from 12.3%. Johnson supported the brands with $4 million in measured media in 1988, down 20%.

The company in December 1988, named 38-year Johnson veteran, Raymond F. Farley its president-CEO. Samuel C. Johnson, former CEO, remains chairman.

S.C. JOHNSON & SON
U.S. Consumer Products
1525 Howe St.
Racine, Wis. 53403
(414) 631-2000

Corporate personnel: G.W. Delp, exec vp.
Marketing personnel: L.L. Beebe, vp-sales; C.J. Goldthwaite Jr., vp, personal prods; W.D. Perez, vp, home care; B.M. Pritchard, vp, insect control; P.G. Penman, adv svcs mgr; C.A. Georgeson, mktg pr mgr.
Brands/services by agency of record:

Raid
OFF!
Future
Brite
Shout
Pledge
Duster Plus
Favor
Glade
Curel
Edge
Soft Sense

Ad agency: Foote, Cone & Belding Communications, Chicago: Paul Vernon, sr vp-group acct dir.

■

Halsa
Agree

Ad agency: Foote Cone & Belding Communications, San Francisco: Richard Ward, sr vp-group acct dir.

■

Aveeno cleansing bar, bath, lotion
Rhuli spray, cream, gel
9-1-1 first aid line

Ad agency: Grant/Jacoby, Chicago: Pam Proach, sr vp-group acct dir.

RANK
10

Kellogg Co.

Battle Creek, Mich.
ADVERTISING: $683.1 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	4,349	3,793	14.7
Earnings	480	396	21.3

■ U.S.	1988	1987	% chg
Sales	2,766	2,492	11.0
Operating income	350	304	15.2

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,979	3,406	75.5
Newsp supp	158	71	122.5
Newspaper	17,199	259	6,540.4
Outdoor	70	0	NA
Network TV	297,740	237,985	25.1
Spot TV	53,287	61,925	(13.9)
Synd TV	23,376	21,733	7.6
Network Cable	4,008	4,496	(10.8)
Network radio	0	17	NA
Spot radio	73	0	NA
Measured	401,889	329,892	21.8
Unmeasured	281,200	230,900	21.8
Total	683,089	560,792	21.8

Kellogg Co. continues to increase its marketing expenditures between 15% and 25% annually to boost its commanding lead in ready-to-eat cereals.

A measure of the market's competitiveness was Kellogg's move to free up dollars for a major marketing push in 1989 by allowing its per-share earnings to decline during the first quarter, during the first quarter, and boost spending on cereals 25.2% in 1988 to $369.1 million, according to LNA/Arbitron.

The world's largest cereal maker ended 1988 with a 41.4% share of the $6 billion ready-to-eat cereal market, up from 41.1%, said County NatWest Securities analyst Timothy Ramey. For 1988, General Mills had a 21.3% share; General Foods USA's Post, 12%; Quaker Oats Co., 8.3%; Ralston Purina Co., 5.4% and Nabisco Brands, 5.4%.

Determined to increase U.S. annual per-capita cereal consumption beyond the current 9.8 pounds, Kellogg is trying three tactics. First, it has launched ad campaigns positioning such products as Frosted Flakes as snack foods, to build up non-breakfast consumption, now an estimated 15% to 20% of the total.

Second, to boost breakfast consumption, it is rolling out Smart Start cereal bars. The products, which were moved into the western U.S. this summer, are oven-baked bars made of five Kellogg cereals: Common Sense Oat Bran, Corn Flakes, Nutri-Grain (two varieties), Raisin Bran and Rice Krispies, all positioned as breakfast food for the family on the go.

Third, Kellogg continues to add new products and tinker with established ones. The company has introduced two blockbusters the past year: Common Sense Oat Bran and S.W. Graham cold cereals, with a combined ad budget of $40 million.

Riding the crest of the oat bran craze, Common Sense chalked up a 0.3% market share during a partial year of distribution in 1988, but already is treading at a 2% share through 1989, said Wheat First Securities analyst John C. Maxwell Jr. Industry watchers speculate that Common Sense will be Kellogg's next "umbrella" brand name, aside Nutri-Grain; already in 1989 the concept has been extended to a variety of Eggo frozen waffles.

Kellogg's other new products have been carefully placed line extensions. To the Nutri-Grain family it added Nutri-Grain Biscuits and Raisin Bran. A bite-size version was added to Frosted Mini-Wheats, Blueberry Squares were added to the Shredded Wheat line, and the Nut & Honey brand got Crunch Biscuits and O's. Nutri-Grain line (cereal, bars, frozen waffles) drew $29 million in media, while Nut & Honey pulled $16.7 million.

Behind Kellogg's heavy commitment to marketing is Horst Schroeder, 48, named Kellogg Co. president-chief opereting officer in November. He is seen as the successor to Chairman-CEO William LaMothe, who likely will retire in 1991.

In the past year's only account shift at Kellogg, Crispix and All-Bran, with a combined $10 million billings, were moved to Leo Burnett USA from Kellogg's other agency, J. Walter Thompson USA, Chicago.

KELLOGG CO.
One Kellogg Square
P.O. Box 3599
Battle Creek, Mich. 49016-3599
(616) 961-2000

Corporate personnel: W.E. LaMothe, chmn-ceo; H.W. Schroeder, president-coo; G.E. Costley, exec vp, president, US Food Products div; C.W. Elliott, exec vp-admin, cfo; A.G. Langbo, exec vp, president, Kellogg International.
Marketing personnel: W.H. Weintraub, vp, exec vp-mktg & new prod devel, US Food Products div; S.W. Richards, vp-US Food Products div, natl sales mgr; P.K. Hill, dir-mktg svcs.

US Subsidiaries

Corporate personnel: D.H. Brenner, president.

Mrs. Smith's Frozen Foods Co.

Marketing personnel: J.J. Feeney, chmn-ceo; R.D. Bateman, sr vp-sales; K. Harlan, vp-mktg; J.S. MacDonald, eastern zone mgr; C.T. Karlow, central zone mgr; T.C. Weverstad, western zone mgr.

Fearn International

Marketing personnel: D.H. Brenner, president; R. Franta, exec vp-genl mgr; E.K. Jorgensen, sr vp-sales & mktg.

Brands/services by agency of record:

Kellogg's cereals
Mrs. Smith's Frozen Foods Co.

Ad agency: Leo Burnett USA, Chicago: William Lynch, chmn-ceo; James Jenness, exec vp-acct dir; Tim O'Day, Al Roehl, vps-acct dirs; Mike Arnold, Larry Bruck, Eleanor Callison, R. Bloomfield, J. Brintnall, Stacey Sopcich, L. Ellrodt, Rick Remick, acct supers.

■

Kellogg's cereals

Ad agency: J. Walter Thompson USA, Chicago: Jack Tukey, sr vp; George Lange, sr vp-acct dir; George Schott, Deemid Eagen, vps-acct dirs; M. Haderlein, acct dir; Susan Frankel, sr acct super; Gloria Quigley, Susan White, acct supers.

■

Black consumer adv

Ad agency: Vince Cullers Advertising, Chicago: Vince Cullers, president.

RANK
12

K mart Corp.

Troy, Mich.
ADVERTISING: $632.0 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	27,301	25,627	6.5
Earnings	803	692	16.0

■ Division sales	1988	1987	% chg
General mdse	23,187	22,140	4.7
Specialty retail	4,114	3,487	18.0

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	25,035	23,482	6.6
Newsp supp	734	2,603	(71.8)
Newspaper	73,073	82,033	(10.9)
Outdoor	123	319	(61.4)
Network TV	56,282	18,236	208.6
Spot TV	28,951	30,942	(6.4)
Synd TV	4,124	2,259	82.6
Network Cable	3,230	2,632	22.7
Network radio	11,792	6,824	72.8
Spot radio	6,596	3,696	78.5
Measured	209,950	173,028	21.3
Unmeasured	422,050	458,817	(8.0)
Total	632,000	631,845	0.0

K mart Corp. spent much of the past year implementing its diversification strategy, opening its first stores in various new grocery and warehouse-style retail operations and launching or continuing several key image-building marketing programs for its 2,200-plus K mart stores.

K mart, the No. 2 retailer, is working hard to stave off competition on two fronts: No. 1 Sears, Roebuck & Co. this year kicked off a major, company-wide restructuring that called for a switch to "everyday low prices"; and No. 3 Wal-Mart Stores, characterized by industry analysts as the nation's fastest-growing retailer, is expanding rapidly and experimenting with wholesale clubs, hypermarkets and supercenters.

Even though Sears racked up comparatively high sales gains in the months immediately following the launch of its new pricing strategy, K mart resisted short-term, defensive marketing moves beyond its own price-cutting measures that have been phased in since mid-1987. K mart did step up its price-reduction program by cutting prices on 500 items in fall 1988

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Top 25 spot radio advertisers

		Spot radio expenditures			as % of co.'s
Rank	Advertiser	1988	1987	% chg	'88 ad total
1	Anheuser-Busch Cos.	$42,696	$43,550	(2.0)	6.7
2	General Motors Corp.	40,185	34,829	15.4	3.1
3	Philip Morris Cos.	40,092	29,489	36.0	1.9
4	Pepsico Inc.	28,198	19,766	42.7	4.0
5	Sears, Roebuck & Co.	25,431	21,211	19.9	2.4
6	Southland Corp.	22,108	18,317	20.7	30.5
7	Grand Metropolitan PLC	21,090	16,366	28.9	2.7
8	Delta Air Lines	19,948	19,671	1.4	17.7
9	Chrysler Corp.	19,412	17,345	11.9	4.1
10	Procter & Gamble Co.	15,777	7,906	99.6	1.0
11	BellSouth Corp.	15,771	13,291	18.7	18.6
12	Adolph Coors Co.	15,442	10,073	53.3	7.7
13	Coca-Cola Co.	15,286	13,051	17.1	4.0
14	Melville Corp.	14,607	13,777	6.0	18.0
15	News Corp.	13,360	3,960	237.4	9.6
16	Ford Motor Co.	11,827	14,861	(20.4)	2.1
17	Honda Motor Co.	11,531	4,661	147.4	4.7
18	Bond Corp. Holdings	11,408	10,756	6.1	15.9
19	AMR Corp.	10,662	16,106	(33.8)	8.8
20	U.S. Government	10,352	8,844	17.1	3.5
21	Montgomery Ward & Co.	10,232	NA	NA	6.6
22	Volkswagen AG	10,162	4,472	127.2	7.2
23	Geo. A. Hormel & Co.	9,891	8,119	21.8	13.9
24	U.S. West	9,522	8,639	10.2	15.7
25	GTE Corp.	9,265	7,357	25.9	12.9

Note: Dollars are in thousands. Source: Radio Expenditure Reports.

AA chart: Kevin Brown

and on another 3,000 items in early 1989, for a total of everyday low prices on 6,000 key products. Sears' sudden gains were temporary.

The company also relied on longer-term marketing programs, such as the second phase of its lifestyle-oriented home fashions advertising with food and entertainment expert Martha Stewart, and a major promotional tie-in with CBS-TV.

K mart has been taking a hard look at its ad budget over the past 18 months. Last year it scaled back its in-house newspaper insert ad program, dropping one of its two weekly inserts, and diverted about $45 million into other media, primarily TV. The company also is testing once-a-month circulars in Pueblo, Colo. This year K mart intends to cut $25 million from its ad budget.

K mart is out to develop an image as a retailer of quality, brand-name merchandise priced competitively. That strategy calls for less emphasis on prices of individual items, and more on image advertising that positions K mart as a "category merchant," selling entire lifestyle-oriented concepts to consumers.

Last Christmas K mart broke its biggest-ever holiday marketing campaign, based on the "Christmas in America" photography book by Collins Publishing. The multimedia campaign consisted of 12 TV commericals, print ads, outdoor boards, newspaper inserts, 125 million shopping bags and extensive in-store support.

That was followed in February by the $20 million "At home with Martha Stewart" program, a massive co-op marketing blitz with *Family Circle* magazine. The program consisted of 43 commercials in which Ms. Stewart used products sold at K mart to renovate and redecorate her 151-year-old Connecticut farmhouse. Newspaper insert ads and a consumer sweepstakes supported.

TV spots mentioned brand name products: 37 manufacturers helped fund the co-op program. The program also included an unusual combination of advertorial and editorial features by Ms. Stewart in *Family Circle* and *Better Homes & Gardens*.

K mart introduced a new Martha Stewart signature line of products, starting with three bed linen sets. This fall it will introduce Martha Stewart-designed tabletop products.

In May, K mart and CBS-TV outlined one of the largest promotional undertakings ever, the "CBS/K mart Get Ready Giveaway" sweepstakes to promote CBS' fall TV schedule and to increase traffic in K mart stores. CBS and K mart are expected to spend a combined $20 million on the program. (NBC-TV and Sears have a similar fall tie-in).

Management of the K mart account has shifted from Ross Roy Inc. to sister agency Calet, Hirsch & Spector. Both agencies still work together on the creative.

K mart also is putting heavier emphasis on specialty retailing, expected to account for 25% of sales and 20% of profits by 1990. Specialty retail businesses include American Fare hypermarkets; its chain of Makro stores, of which K mart owns 51%; Walden Book Co.; Pay Less Drug Stores Northwest and its Builders Square subsidiary, which operates Office Square and Sports Giant stores. Last year K mart opened 154 new specialty stores.

In January 1989, K mart opened its first American Fare hypermarket, a joint venture with Bruno's, a leading Southeastern grocery chain. The new store, a 244,000 sq. ft. facility in Atlanta, combines food and general merchandise, and carries "everyday low prices" on all 45,000 items in the store. A second store is planned for Charlotte, N.C., later this year. K mart plans to test a "power retail center," where one shopping center would contain several K mart specialty outlets.

K mart's Walden Books Co. this summer moved its estimated $8 million Walden books store account from Ally & Gargano to CHC Advertising, Westport, Conn., where Bill Bishop, former president of A&G, landed after resigning.

K MART CORP.
3100 W. Big Beaver Rd.
Troy, Mich. 48084
(313) 643-1000

K mart Stores
Troy, Mich.

Marketing personnel: Michael Wellman, vp-mktg; Gerald Habeck, dir-adv; Susan Feinberg, dir-mktg devel; William Underwood, sr vp-genl merch; Norman Roberts, dir-sales promo.

Brands/services by agency of record:

K mart stores

Ad agencies: Ross Roy Inc., Bloomfield Hills, Mich.: Peter Vetowich, exec vp, dir-retail operations; Lawrence Haddock, Roger Sherman, sr vps-mgmt supers; Frank Wilberding, sr vp-mktg svcs; Jack Frakes, exec creative dir.

Calet, Hirsch & Spector, New York: Peter Hirsch, co-chmn, exec creative dir; Richard Cavillo, president; Jane Singer, exec vp.

Walden Books Co.
Stamford, Conn.

Marketing personnel: Bonnie Predd, exec vp-mktg; Sandy Long, sr mgr-adv & sales promo.

Brands/services by agency of record:

Walden Books stores

Ad agency: CHC Advertising, Westport, Conn.: Bill Bishop, chmn; Bill Schmermund, president; Eric Tolkin, vp-acct super.

Builders Square
San Antonio, Texas

Marketing personnel: Mark James, vp-mktg; Bob Bierley, dir-adv; Leo Corwin, sr vp-merch & adv.

Brands/services by agency of record:

Builders Square stores

Ad agency: Ross Roy Inc., Bloomfield Hills, Mich.: Peter Vetowich, exec vp, dir-retail operations; Bruce Miller, sr vp.

Office Square/Sports Giant
San Antonio, Texas

Marketing personnel: Gene Cuthbertson, dir-mktg.

Brands/services by agency of record:

Office Square stores
Sports Giant stores

Ad agency: (In-house): Gene Cuthbertson, dir-mktg.

Pay Less Drug Stores Northwest
Wilsonville, Ore.

Marketing personnel: David Massing, vp-adv.

Brands/services by agency of record:

Pay Less Drug Stores N.W.

Ad agency: (In-house): David Massing, vp-adv.

American Fare
Troy, Mich.

Marketing personnel: Larry Perkin, exec vp-warehouse & grocery operations; Gerald Habeck, dir-adv.

Brands/services by agency of record:

American Fare hypermarket stores

Ad agency: Ross Roy Inc., Bloomfield Hills, Mich.: Peter Vetowich, exec vp, dir-retail operations; Bruce Miller, sr vp.

Makro Inc.
Cincinnati

Marketing personnel: Gregory Hanselman, vp-sales & promo.

Brands/services by agency of record:

Makro new store openings

Ad agency: Ehrlich-Manes & Associates, Bethesda, Md.: Charles Smith, exec vp; Gregg Petermann, art dir; Mike Costello, creative dir-copywriter; Lee White, media dir.

■

Merchandising-Makro stores

Ad agency: Paul Schultz Co., Louisville, Ky.: Diane Brody, acct mgr.

RANK
69

Kroger Co.

Cincinnati
ADVERTISING: $144.1 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	19,100	17,700	7.9
Earnings	35	247	(86.0)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	34	504	(93.2)
Newsp supp	0	119	NA
Newspaper	23,820	31,247	(23.8)
Outdoor	1,813	2,892	(37.3)
Network TV	0	98	NA
Spot TV	36,220	44,639	(18.9)
Synd TV	0	0	NA
Network Cable	2	277	(99.1)
Network radio	0	0	NA
Spot radio	2,094	2,733	(23.4)
Farm pub	0	0	NA
Measured	63,984	82,510	(22.5)
Unmeasured	80,100	103,300	(22.5)
Total	144,084	185,810	(22.5)

After devoting much of 1988 to a massive corporate restructuring that saw media advertising dip 22.5%, Kroger Co. is now focusing on generating as much cash as possible to reduce its mountain of debt.

The Cincinnati-based grocery retailer, the nation's largest in sales, launched a $4.5 billion restructuring last September as it turned away unsolicited takeover bids from the Haft, owners of a Maryland-based retailing concern, and Kohlberg Kravis Roberts & Co., the New York buyout firm that gained control of RJR Nabisco earlier this year.

Under the restructuring, Kroger gave shareholders cash and securities for their shares, cut 300 corporate jobs and put about $330 million worth of assets up for sale.

Kroger held onto its core operations—about 1,235 grocery stores and 958 convenience stores. Even though earnings are expected to remain depressed through the early 1990s, Kroger executives predict the company will generate sufficient cash to run its stores, replenish its asset base (through new-store construction and renovations) as well as cover its interest expenses.

The decline in media spending to $64 million was part of an overall decline in advertising costs of 6.6% to $211 million, a figure Kroger says includes spending for ads for individual "Kroger Marketing Areas" and for corporate-wide and merchandising programs, much of the latter of which is not included in AA's estimates for unmeasured spending by Kroger.

Operationally, Kroger concentrated on bringing its newest combination food and drugstores up to stride in 1988.

At year's end, 595 or nearly half of Kroger's stores were "combos," up from 401 five years ago. The company has devoted the majority of its new-store budget to combos in recent years, keying on consumers' desires for one-stop shopping and its own desire for a format with higher sales per square foot.

As it proceeds toward the end of its third quarter, Kroger is wrapping up the last elements of its restructuring—selling 11 of its 43 food manufacturing plants and various real estate.

KROGER CO.
1014 Vine St.
Cincinnati, Ohio 45201
(513) 762-4000

Corporate personnel: Lyle Everingham, chmn-ceo; Joseph A. Pichler, president-coo.

Marketing personnel: Robert J. Hodge, sr vp; J. Richard Owens, vp-adv.

Brands/services by agency of record:

Kroger stores

Ad agency: Campbell-Mithun-Esty, Chicago: Marv Goldsmith, president-coo, Chicago office; John Kroening, John Wylie, vps-mgmt supers.

RANK
83

Loews Corp.

New York
ADVERTISING: $123.8 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	10,965	9,324	17.6
Earnings	908	696	30.5
■ Division sales	1988	1987	% chg
Property, casualty insurance	6,201	5,195	19.3
Life insurance	2,252	1,825	23.4
Cigarettes	1,818	1,676	8.4
Hotels	205	195	4.9
Watches, timing devices	155	157	(1.3)
Shipping	56	32	75.2
Investment income	120	232	(48.3)
Equity in CBS Inc.	55	18	210.1
Other	6	(6)	(191.7)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	21,010	27,150	(22.6)
Newsp supp	10,908	3,861	182.5
Newspaper	4,509	2,234	101.9
Outdoor	32,802	23,546	39.3
Network TV	0	0	NA
Spot TV	91	302	(69.9)
Network Cable	2	9	(77.5)
Spot radio	0	31	NA
Measured	69,321	57,132	21.3
Unmeasured	54,500	44,900	21.4
Total	123,821	102,032	21.4

Loews Corp. did an about-face in advertising spending in 1988 as it began to build spending back to 1986 levels and put more support behind its increasingly popular Newport cigarette brand.

Reduced spending on its cigarette lines,

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(212) [illegible] agency

Top 25 farm publication advertisers

Rank	Advertiser	Farm publication expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Ciba-Giegy Corp.	$7,425	$7,159	3.7	8.9
2	Imperial Chemical Industries	7,167	4,891	46.5	NA
3	American Cyanamid Co.	5,631	5,423	3.8	2.2
4	Monsanto Co.	5,556	5,997	(7.3)	6.4
5	Deere & Co.	5,253	4,366	20.3	NA
6	E.I. du Pont de Nemours & Co.	5,111	4,978	2.7	3.9
7	Ford Motor Co.	4,616	4,267	8.2	0.8
8	Elanco Products Co.	3,772	4,233	(10.9)	NA
9	General Motors Corp.	3,648	3,355	8.7	0.3
10	Bayer AG	3,464	5,647	(38.7)	2.6
11	Tenneco Inc.	3,165	3,211	(1.4)	NA
12	Rhone-Poulenc	3,056	4,284	(28.7)	NA
13	Dow Chemical Co.	2,542	1,488	70.9	1.6
14	FMC Corp.	2,313	2,448	(5.5)	NA
15	IMC International	2,035	1,739	17.0	NA
16	Sandoz Ltd.	1,818	2,094	(13.2)	2.5
17	Pioneer Hi-Bred International	1,813	1,881	(3.6)	NA
18	Valent USA	1,796	1,640	9.5	NA
19	Upjohn	1,684	1,575	6.9	NA
20	BASF Corp.	1,593	1,845	(13.7)	NA
21	Pfizer Inc.	1,590	1,558	2.1	0.7
22	Merck & Co.	1,580	1,891	(16.4)	NA
23	SmithKline Beecham	1,537	1,137	35.2	0.6
24	Cargill Inc.	1,502	782	92.0	NA
25	Hoechst-Roussel	1,372	1,603	(14.4)	NA

Note: Dollars are in thousands. Source: Agricultural Marketing Information Bureau (AGRICOM).

AA chart: Kevin Brown

particularly the True brand, in 1987 reduced Loews spending by 21.3% that year from a high of $146.5 million in 1986.

Like other cigarette manufacturers, Loews' Lorillard division continues to face legislative and regulatory challenges from Congress, as well as continued pressures from anti-tobacco groups.

Lorillard, the nation's fourth-largest cigarette manufacturer, saw its market share edge up from 8.2% to 8.3% in 1988, placing it behind Philip Morris' 39.3%, R.J. Reynolds Tobacco's 31.8% and Brown & Williamson's 11.0%, but ahead of American Brands' 6.9% and Liggett Groups' 2.7%. In addition, while total industry sales dropped 2.4%, Lorillard's sales decreased by only 1.9%.

Loews backed its cigarette division with more than $61 million in measured media, 88% of the company's total outlay. Newport claimed $44 million in measured spending, up 33%, as it became the fifth largest-selling brand in the country in 1988, with a market share of 4.6%, up from 4.2% the previous year. The four brands ahead of Newport are Philip Morris' Marlboro (24.7%), RJR's Winston (10.8%), RJR's Salem (7.4%) and B&W's Kool (5.8%). It passed PM's Benson & Hedges.

Advertising for Lorillard's Kent and True brands combined accounted for about 24%, or $17 million of the division's total cigarette ad expenditures. The 1988 market shares for Kent and True brands were 2.3% and 1.0%, respectively. These are roughly the same as the previous year.

In spring 1988, Newport Stripes Menthol 100's Box and Newport Stripes Non-Menthol 100's Box were introduced into approximately 50% of the U.S. This extended the brand's franchise to 12 different packings. The new Newport Stripes products are full flavor, low-tar cigarettes. Brand spending for Newport was $44.4 million, up 33%, reports LNA/Arbitron.

In April 1988, Lorillard announced the sale of its chewing tobacco and little cigar brands to the National Tobacco Co. for approximately $67.7 million. Included in the sale were Lorillard's Louisville manufacturing facility and its storage facilities in Wisconsin.

Loew's CNA Insurance Cos., which has grown from the 18th to the 13th largest insurance organization in the U.S. based on premium volume, spent $5.8 million in advertising in 1988, the same as in 1987.

Bulova, which is approaching its 10th anniversary as a part of Loews, this April adopted a new corporate name—Bulova Corp.—to reflect the company's entry into new and different product markets.

It introduced the 20th Century Limited, watches inspired by designs of the '20s and '30s; expanded the Marine Star divers' series and the Diamond Watch Collection and entered into a licensing agreement to market a line of Harley-Davidson watches. In 1987, Loew's Lorillard division introduced Harley-Davidson brand cigarettes. BULY by Bulova, a line of fashion accessories including a tote, sportbag and backpack with an integrated weather-resistant clock, also was introduced. Bulova spent only $1.3 million in measured media, down 38%.

LOEWS CORP.
667 Madison Ave.
New York, N.Y. 10021
(212) 545-2000

Lorillard Division
One Park Ave.
New York, N.Y.

Corporate personnel: J.R. Ave, president-ceo.

Marketing personnel: T.H. Mau, sr vp-adv & brand mgmt; R.H. Orcutt, sr vp-sales; S.R. Ridgway, vp-pr; G.R. Telford, vp-adv & brand mgmt; J.P. Mastandrea, vp-sales; Lou Gorde[illegible] vp-trade devel; C.W. Toti, dir-mktg svcs; L.M. Giordano, media dir; R.G. Ryan, sales promo dir; S.T. Jones, mktg rsch dir; J.E. Daghlian, R.D. Hammer, Andrew Pasheluk, group brand dirs; K.P. Augustyn, V.D. Lindsley, sr brand mgrs; J.A. Guardino, J.M. Wagner, brand mgrs; J.G. Arato, W.S. Leong, Eve Nadel, assoc brand mgrs; C. Fassuliotis, J. LaValle, [illegible] brand mgrs.

Brands/services by agency of record:

Newport
New prods

Ad agency: Ally & Gargano, New York: Warren Dechter, president; Ed Ricci, exec vp.

■

Kent
Kent III
Kent Golden Lights
New prods

Ad agency: BBDO, New York: Bruce Meyers, exec vp; John Marchese, vp-mgmt rep.

■

True
Triumph
New prods

Ad agency: Saatchi & Saatchi Advertising, New York: John Kaiser, exec vp.

Loews Hotels
New York

Corporate personnel: Robert J. Hausman, chmn; Jonathon Tisch, president-ceo.

Marketing personnel: Christopher Rockett, vp-mktg; Marian Succoso, dir-adv & sales promo; Michelle McFaul, vp-pr.

Brands/services by agency of record:

Loews Hotels

Ad agency: Arias & Sarraille, Palos Alto, Calif: Ed Sarraille, partner.

CNA Insurance Cos.
Chicago

Corporate personnel: Edward J. Noha, chmn-ceo.

Marketing personnel: Philip L. Engel, vp-mktg; James G. Pettorini, asst vp-life, health, pensions distribution mktg; Himanshu I. Patel, asst vp-mktg support div; Susan Stockton, adv mgr.

Brands/services by agency of record:

Business & trade adv

Ad agency: Frank C. Nahser Inc., Chicago: Frank Nahser, president.

Bulova Watch Co.
Woodside, N.Y.

Corporate personnel: Andrew H. Tisch, president.

Marketing personnel: Robert E. Ryan, vp-mktg; Joe Klein, mktg dir, clocks; Peter Sandler, business devel mgr; Richard Jamroz, comm dir; Jane Disanto, mgr-business planning & production devel.

Brands/services by agency of record:

Bulova watches & clocks

Ad agency: McCaffery & Ratner, New York: David Hooper, sr vp-mktg dir.

Macy Acquiring Corp.

RANK
32

New York

ADVERTISING: $308.9 MILLION

U.S. advertising by media

($ in thousands)

Media	1988	1987	% chg
Magazine	2,166	1,852	17.0
Newsp supp.	86	311	(72.5)
Newspaper	182,212	176,033	3.5
Outdoor	376	140	168.7
Spot TV	15,651	16,695	(6.3)
Spot radio	289	297	(2.8)
Measured	200,779	195,328	2.8
Unmeasured	108,100	105,200	2.8
Total	308,879	300,528	2.8

Despite the high debt load left by its 1986 leveraged buyout and subsequent acquisitions, R.H. Macy has moved ahead with promotion programs.

During 1988 it entered several new market areas and is working to create strong name recognition. It also has been gradually shifting to more private label manufacturer-supplied brand-name ad allowances.

The privately-held company has had to act aggressively to justify its mid-1988 acquisition of former Federated Department Store holdings, Los Angeles-based Bullocks and San Francisco-based I. Magnin. These two units were Chairman Edward Finkelstein's consolation prize when he failed to beat out Robert Campeau for control of Federated Department Stores.

Macy's has acted quickly to bring I. Magnin back to its days of glory by bringing in a large number of "bridge" lines, between moderate-price and designer merchandise, and giving each of them its own boutique and enhancing the level of customer service.

Ad support, to inform customers about the changes taking place at I. Magnin, has been particularly critical in the San Francisco market where Nordstrom, a major threat for any retailer seeking to appeal to the upper-moderate shoppers, has opened two stores.

I. Magnin advertised very little, spending only $4.9 million in 1988, down 24.6%, according to LNA/Arbitron. Bullocks, on the other hand, spent $27.8 million in media, up 4%. The two have been combined into a single operating entity.

Macy's Northeast, the company's largest division, is responsible for the company's most recent new market entry—its first Washington area store (a second will open shortly). Macy's had Washingtonians so well-primed before its debut that it couldn't handle the mobs that clamored to pay a $5 charge (to charity) to preview the store and shop before its official opening.

In its first year, the store is estimated to have generated sales of between $60 million and $80 million. By contrast, Nordstrom, located across the street, generated first-year sales slightly in excess of $100 million.

Expansion continues throughout Florida where Macy's relies on catching the transplanted Northeasterners. The chain also is trying to establish itself in New Orleans and in Texas.

During 1988, Macy's created separate specialty apparel stores to showcase several brands: Charter Club, Fantasies by Morgan Taylor and Aeropostale, and all are being gradually expanded. It also began accepting MasterCard and Visa for the first time and backing that up with a $400,000 campaign, created and handled in-house.

Macy's continues to make heavy use of newspaper ads and other print, and appears to have cut back on its use of direct-mail catalogs. Spot TV also is used for specific sales and to promote seasonal merchandise offerings. Macy's receives tremendous exposure from its annual Thanksgiving Day Parade and Fourth of July New York City Fireworks display.

Macy's Department Store is one of the nation's largest retail advertisers, spending $167.6 million in measured media in 1988, up 4%, according to LNA/Arbitron. The department store spent 91% of its measured total on national newspapers and the rest on spot TV.

R.H. MACY & CO.
151 W. 34th St.
New York, N.Y. 10001
(212) 695-4400

Marketing personnel: Edward S. Finkelstein, chmn-ceo, president, Bullock's; Mark S. Handler, president-coo; Arthur Reiner, chmn-ceo, Macy's NY; Robert Friedman, chmn-ceo, Macy's NJ; H. Friedman, chmn-ceo, Macy's Atlanta; Rudolph Borneo, president, Macy's California.

Brands/services by agency of record:

Macy's Northeast

MARKETING—EXECUTIVES
Packaged Goods and Financial Services
MARTHA WARD ASSOCIATES
EXECUTIVE SEARCH SPECIALISTS

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For a media kit and complimentary copy of USA TODAY International, call Jerry Weiss at (212) 715-5429.

SOURCE: 1989 Readership Survey by Marketing Projects Group

USA TODAY

Ad agency: (In-house): Rosanne Cooper, sr vp-sales promo.

■

Macy's South/Bullock's

Ad agency: (In-house): Joseph Garberino, sr vp-sales promo.

■

Macy's California

Ad agency: (In-house): Greg Hribar, sr vp-adv & sales promo.

I. Magnin & Co.
San Francisco

Corporate personnel: Rose Marie Bravo, chmn-ceo.

Marketing personnel: Wilner Weiss, sr vp-adv.

Brands/services by agency of record:

I. Magnin's

Ad agency: (In-house): Wilner Weiss, sr vp-adv.

RANK
88

Marriott Corp.

Washington
ADVERTISING: $120.2 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,081	4,616	10.1
Newsp supp	1,513	95	1,494.5
Newspaper	9,266	8,815	5.1
Outdoor	950	1,031	(7.9)
Network TV	3,155	2,758	14.4
Spot TV	22,911	22,554	1.6
Synd TV	16	0	NA
Network Cable	51	51	(0.6)
Spot radio	1,446	558	159.1
Measured	44,389	40,479	9.7
Unmeasured	75,800	69,100	9.7
Total	120,189	109,579	9.7

Each of Marriott Corp.'s three highly-decentralized divisions—lodging, contract services and restaurants—made or continued to make significant marketing changes in 1988.

Marriott in 1988 introduced 14 Allie's Restaurants at Big Boys locations in San Diego. Named for Alice Marriott, widow of the founder and mother of the current chairman, Allie's are filled with plants and sunlight, and staffed with Reebok-clad waiters and waitresses serving grilled chicken and fajitas.

The concept grew out of a customer survey at Bob's Big Boy restaurants. Not surprisingly, given Big Boy's recent disappointing performance, the findings revealed little preference for Big Boys.

Allie's churned 40% more sales in 1988 than the Big Boys they replaced. The company expects to have 600 Allie's open within five years.

Recently, the Marriott acquired 21 Jolly Roger Restaurants, 15 in San Diego, six in Orlando. In 1988, the company acquired 123 Wag's and Bickford's restaurants, concentrated in Florida, New England and Illinois. These acquisitions, along with most Bob's Big Boys, will be converted to Allie's. The next push is slated for Florida where 82 Wag's and former company-owned Howard Johnson's restaurants are scheduled to be converted.

In the interim, Marriott is not abandoning the 200-plus Bob's Big Boys it still owns. They are being remodeled and expanded as needed. They were backed with $5.8 million in advertising—up 45% from year-earlier levels, according to LNA/Arbitron.

Similar changes have been brewing in the hotel industry, where companies from Raddison to Holiday Inns have rushed to offer hotels for every market segment. Now, in addition to Marriott Hotels and Resorts, travelers may select from: Marriott Suites (nine by the end of this year; 40 by 1993), rates ranging from $89 to $139; Courtyard by Marriott (about 140 properties by the end of the year), priced at $50-$88 a night; Residence Inn by Marriott (currently 142 extended-stay suite hotels, 300 by early 1990s) with rates of $65-$90; and moderately-priced Fairfield Inn (about 45 at the end of the year) with room rates from $30 to $40.

Marriott Hotels and Resorts remain the core of the company's hotel business. There will be close to 200 of them in 14 states and the District of Columbia and 14 countries at the end of this year plus an additional 14 to 16 at the end of next. Advertising support for the group rose almost 81% to $13.5 million.

Sizable media increases also were recorded by Residence Inn by Marriott, more than doubling to $556,000, and Courtyard by Marriott, an almost ninefold increase to $3.1 million.

Marriott opened its first two senior living facilities this year with a total of 700 units. Some 3,000 units are planned by the end of this year.

MARRIOTT CORP.
Marriott Drive
Washington, D.C. 20058
(301) 380-9000

Lodging Operations

Marketing personnel: Robert Bloch, sr vp-mktg, hotels; Jacqueline Hurley, dir-natl adv, hotels & resorts; Julie Moll, dir-mktg, Marriott Suites; Brent Andrus, vp-sales & mktg, Courtyard by Marriott; Robert Ziegler, dir-mktg, Fairfield Inn.

Brands/services by agency of record:

Hotels & Resorts

Ad agency: FCB/Leber Katz Partners, New York: Pat Price, acct exec.

■

Residence Inn

Ad agency: Martin Agency, Richmond, Va: Dan Barges, acct super.

■

Courtyard

Ad agency: Scali, McCabe, Sloves, New York: Don Bowen, acct exec.

■

Marriott Suites

Ad agency: Korey Kay & Partners, New York: Ron Weiss, acct super.

■

Fairfield Inn

Ad agency: TBWA Advertising, New York: Grant Castle, acct super.

Restaurant Operations

Marketing personnel: Ron Powell, exec vp & genl mgr, Big Boy & Allie's; Lisa Krostue, vp-mktg, Roy Rogers; Doreen Levin, dir-mktg, Travel Plazas & Hot Shoppes.

Brands/services by agency of record:

Roy Rogers restaurants
Allie's restaurants
Big Boy restaurants

Ad agency: Earle Palmer Brown Cos., Bethesda, Md: Steve Farley, acct group dir. Roy Rogers: Sara Meibug, vp-acct super; Lisa Osofsky, sr acct exec; Martha Crowley, Lynn Eddis, Joan Greenwald, Deborah Zang, acct execs. Big Boy/Allie's: Gerry Hart, mgmt super; Dodie Subler, acct super; Julie Buric, acct exec.

RANK
30

Mars Inc.

McLean, Va.
ADVERTISING: $339.7 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	9,860	10,991	(10.3)
Newsp supp	512	342	49.8
Newspaper	5,359	457	1,072.0
Outdoor	23	56	(58.6)
Network TV	91,366	130,271	(29.9)
Spot TV	38,290	38,439	(0.4)
Synd TV	23,780	12,996	83.0
Network Cable	9,995	14,877	(32.8)
Network radio	5,721	8,569	(33.2)
Spot radio	2,952	1,388	112.7
Measured	187,857	218,386	(14.0)
Unmeasured	151,800	176,500	(14.0)
Total	339,657	394,886	(14.0)

Mars Inc.'s 14% decline in U.S. ad spending in 1988 was more an indication of new advertising and promotion strategies than a slowdown in Mars' aggressive marketing strategy.

M&M/Mars, the big candy division, in 1988 shifted dollars into promotions such as the multi-year marketing agreement with Walt Disney Co. that includes an upcoming $24 million tie-in with the November video release of Disney's "Bambi."

As a result of the sales promotions, M&M/Mars' media ad spending dropped 4.4% in 1988 to $111 million, according to LNA/Arbitron.

M&M/Mars, with Al Poe as senior VP-marketing since last October, has become more daring out of necessity. In 1988 it saw its 37% market share for candy bars passed by Hershey's 44% after Hershey bought Cadbury USA. M&M/Mars has since been more aggressive in introducing line extensions, launching European brands in the U.S. and expanding seasonal candy offerings. Formerly, M&M/Mars concentrated its advertising and promotion on blockbuster brands like Snickers and M&Ms. Ad support for both dropped in 1988: 10% to $22.9 million for Snickers and 18% to $19.7 million for M&Ms

Now, no brand is too small for some support or for line extension. Under Mr. Poe's leadership, Mars has successfully launched Bounty, a chocolate-covered coconut bar popular in Europe, to take on Hershey's Mounds and Almond Joy.

Holidays, M&M-styled candies which shot into the chocolate bars' top 20 in sales in 1988 (according to American Consulting Corp., Orlando, Fla.), received $2 million in spending in 1988. The candy is color-coordinated to various holidays. New intros will be a mint flavor to the red/green of Christmas and a red/white theme for Valentine's Day 1990.

New flavors of Kudos and Skittles were introduced nationally in 1989. The company also is testing peanut butter M&Ms. M&M/Mars in August revived Today's Munch, a peanut brittle bar sold primarily in vending machines. Munch is being promoted in radio and print, as opposed to M&M/Mars' traditional TV focus.

Dove Bar International, with ad spending remaining stable in 1988 at $9.6 million, is focusing on turning M&M/Mars candy into ice cream treats. 3 Musketeers Ice Cream bars went national in 1989, and a Snickers Ice Cream Bar soon will be introduced. The Dove Bar brand received $4.7 million, the same as 1987, while advertising for Rondos Ice Cream treats doubled to $4 million. Forever Yours Sundaes seems on the way out, with ad spending plummeting 98% to $50,000.

The Kal Kan pet food division shifted strategy in the past year to emphasize new gourmet products and rename existing brands with more pizzazz. Sheba, described as a gourmet canned cat food, racked up $28 million sales in 1988, its first year after being brought from Europe, according to John Maxwell, analyst for Wheat First Securities, Richmond, Va. Crave dry cat food and Kal Kan canned cat food were renamed Whiskas, Mars' cat food line in Europe.

As part of a pet food industry-wide move to premium and more upscale products, Kal Kan dog food brands adopted the Kal Kan Pedigree name. Pedigree Select Dinners, a gourmet dog food, was introduced in late 1988. Kal Kan brand spending dropped 19% to a measured $38.4 million in 1988. Sheba took $8.9 million, while Kal Kan canned cat food advertising dropped 39% to $10.7 million.

Uncle Ben's continues to expand its flavored rice dishes with Uncle Ben's Country Inn Rice Mixes and Country Inn Garden Pasta Salads. Uncle Ben's Side Dishes remain in test. Uncle Ben's last year dropped ad spending 15% to $26 million, but put $10.4 million behind a new product, Uncle Ben's Rice in an Instant. It grabbed a 14% share of the instant market, gouging General Foods' Minute Rice, which was left with a 53.3% share, down from 66%.

MARS INC.
1651 Old Meadow Rd.
Westgate Park
McLean, Va. 22102
(703) 821-4900

M&M/Mars Division
Hackettstown, N.J.

Corporate personnel: William Hellegas, president.

Marketing personnel: Alfred Poe, sr vp-mktg; Randy Webb, vp-sales; Ted Lusher, dir-broker sales; Jim Conland, dir-trade devel.

Uncle Ben's Inc.
Houston, Texas

Corporate personnel: Al Aragona, president.

Marketing personnel: Robert Black, vp-mktg & sales.

Kal Kan Foods
Vernon, Calif.

Corporate personnel: Thomas Armstrong, president.

Marketing personnel: John Murray, vp-sales & mktg.

Brands/services by agency of record:

Kal Kan Pedigree dog food
Sheba
Whiskas
Kudos
Holidays
M&Ms
3 Musketeers
PBMax
Snickers
Starbursts
Uncle Ben's
Suzi Wan

Ad agency: Backer Spielvogel Bates Worldwide, New York: Pet foods: Norman Bierman, exec vp; Simon Turner, sr vp-mgmt rep. Candy: Ken Rogers, exec-vp, multi-natl mng dir; Joe Dell'Aquila, exec vp; Paul Mesches, Alice Uniman, Dana Tower, sr vps-mgmt reps. Uncle Ben's: Randy Hackett, exec vp; Alan Kellam, sr vp-mgmt rep.

■

Bounty
Mars Bar
Milky Way
new prods

Ad agency: D'Arcy Masius Benton & Bowles, New York: Ian Brown, sr vp, dir-operations & strategy; Mark Sands, acct mgr.

■

Belisto
Combos
Skittles
Suissande
Today's Munch
Twix

Ad agency: D'Arcy Masius Benton & Bowles, St. Louis: Rick Spatz, sr vp-acct dir; Dave Gulick, vp-mgmt super; Laura Frerichs, acct super.

RANK
26

May Department Stores Co.

St. Louis
ADVERTISING: $399.7 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	11,525	9,080	18.9
Earnings	503	440	14.3
■ Division sales	**1988**	**1987**	**% chg**
Department stores	7,537	5,935	27.0
Caldor	1,574	1,502	4.8
Venture	1,282	1,188	7.9
Volume Shoe	1,132	1,065	6.3

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	2,447	1,808	35.3
Newsp supp	1,931	890	117.1
Newspaper	224,282	230,174	(2.6)
Outdoor	120	167	(28.1)
Network TV	4,167	4,064	2.5
Spot TV	25,815	33,438	(22.8)
Spot radio	1,024	1,434	(28.6)
Measured	259,787	271,975	(4.5)
Unmeasured	139,900	146,400	(4.4)
Total	399,687	418,375	(4.5)

Advertising at May Department Store Co. declined slightly in 1988 as the company boosted its operations by buying Filene's and Foley's department stores, the latter now challenging May's Lord & Taylor unit for the chain's leadership in volume sales.

The two acquisitions, purchased for $1.5 billion from Federated Department Stores, added $1.2 billion in sales—representing three quarters worth of sales for the two department stores—to give May a 19% gain for the year. Without this single-year boost, May sales would have increased only 7%.

Sales at Houston-based Foley's, with 34 stores, could surpass Lord & Taylor, New York, as May's dollar volume leader this year. L&T sales were $963 million in 1988, compared with $804 million for three quarters for Foley's. Foley's full-year media advertising in its transitional year increased 27.7% to $29.5 million, while L&T's media spending of $26.8 million, dropped 20.9%, according to LNA/Arbitron.

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May, which operated 297 department stores in 29 states and Washington D.C. by year-end, opened seven more department stores and seven discount stores in 1988.

In keeping with its longterm plan of nationally expanding its L&T chain, it opened L&Ts in San Antonio, New Orleans and Memphis. In January 1989, May initiated plans to convert four of its Hahne & Co. department stores in New Jersey into L&Ts and sell the remaining five Hahne stores. May has been closing and combining a number of stores on a market-by-market basis since it began to consolidate the stores picked up in its 1986 acquisition of Associated Dry Goods. Hahne & Co., Caldor, Goldwaters, L&T, L.S. Ayres and Robinsons were gained in the purchase.

Lord & Taylor, with sales up only 4.5% in 1988, may be May's most upscale, but it has been criticized by industry observers over the past year who claim it has weakened its image by selling too many private labels.

The May department store unit based in Los Angeles drew $71 million in media spending, the largest among any unit for 1988. Spending was up 14% from 1987, according to LNA/Arbitron.

May's two discount store divisions, Caldor and Venture, reported a 7% increase in sales to $2.86 billion in 1988. Caldor got $18 million and Venture only $3.1 million in measured spending in 1988, according to LNA/Arbitron.

Volume Shoe continued its aggressive growth by opening 116 new Payless ShoeSource stores in 29 states. In 1988, Volume Shoe reported sales of $1.1 billion, up 7%. Payless received $14.8 million in ad support, down 12%.

MAY DEPARTMENT STORES CO.
611 Olive St.
St. Louis, Mo. 63101
(314) 342-6300

Lord & Taylor
New York

Marketing personnel: Rita Lennick, vp-adv & sales promo.

Brands/services by agency of record:
Lord & Taylor stores

Ad agency: (In-house): Rita Lennick, vp-adv & sales promo.

May Co.
North Hollywood, Calif.

Marketing personnel: Harry Wendland, sr vp-sales promo; Leonard Berliner, vp-adv dir.

Brands/services by agency of record:
May Co. stores

Ad agency: (In-house): Leonard Berliner, vp-adv dir.

Hecht's
Arlington, Va.

Marketing personnel: Don DeFabio, sr vp-mktg; Steven Wichnow, sr vp-adv.

Brands/services by agency of record:
Hecht's

Ad agency: (In-house): Steven Wichnow, sr vp-adv.

J.W. Robinson
Los Angeles

Marketing personnel: Judy Farris, sr vp-adv & mktg; Craig Cadwallader, div vp-sales promo.

Brands/services by agency of record:
J.W. Robinson stores

Ad agency: (In-house): Judy Farris, sr vp-adv & mktg.

Famous-Barr
St. Louis

Marketing personnel: Paul Cavalli, sr vp-sales promo; Vicki Rosenkoelter, vp-adv dir; Joe Della Valle, vp-creative dir.

Brands/services by agency of record:
Famous-Barr stores-broadcast

Ad agency: Glennon & Co., St. Louis: Ian Cohen, exec vp; Sherry Weiner, acct exec.

Filene's
Boston

Marketing personnel: Charlotte Brewer, sr vp-mktg & sales promo; Joseph Panessidi, div vp, dir-adv operations.

Brands/services by agency of record:
Filene's

Ad agency: (In-house): Joseph Panessidi, div vp, dir-adv operations.

Kaufmann's
Pittsburgh

Marketing personnel: Jerry Eccher, sr vp-sales promo.

Brands/services by agency of record:
Kaufmann's

Ad agency: (In-house): Jerry Eccher, sr vp-sales promo.

L.S. Ayers
Indianapolis

Marketing personnel: Mark Humphrey, sr vp-mktg; Rae Ann Allen, div vp-creative dir, sales promo.

Brands/services by agency of record:
L.S. Ayers stores

Ad agency: (In-house): Rae Ann Allen, div vp-creative dir, sales promo.

G. Fox & Co.
Hartford, Conn.

Marketing personnel: Susan Weiner, sr vp-sales promo; Jack Mullen, div vp.

Brands/services by agency of record:
G. Fox & Co.

Ad agency: (In-house): Jack Mullen, div vp.

May D&F
Denver

Marketing personnel: Randall Barberis, sr vp, dir-mktg.

Brands/services by agency of record:
May D&F stores

Ad agency: (In-house): Randall Barberis, sr vp, dir-mktg.

Meier & Frank
Portland, Ore.

Marketing personnel: Stephen Thorpe, sr vp-sales promo; Nancy Altman, adv dir.

Brands/services by agency of record:
Meier & Frank stores

Ad agency: (In-house): Nancy Altman, adv dir.

May Co.
Cleveland

Marketing personnel: Stephen Thorpe, sr vp-sales promo; Debra Edwards, div vp-adv dir.

Brands/services by agency of record:
May Co. stores

Ad agency: (In-house): Debra Edwards, div vp-adv dir.

Sibley's
Rochester, N.Y.

Marketing personnel: Susan Mesec, sr vp, dir-adv & sales promo; Jonathan Cowles, direct mail mgr; Barbara Caiola, broadcast mgr.

Brands/services by agency of record:
Sibley's stores

Ad agency: (In-house): Susan Mesec, sr vp, dir-adv & sales promo.

RANK
67

Mazda Motor Corp.

Hiroshima
ADVERTISING: **$146.7 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	14,637	12,717	15.1
Earnings	120	35	241.5

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	29,236	22,214	31.6
Newsp supp	75	0	NA
Newspaper	5,476	24,026	(77.2)
Network TV	45,167	51,623	(12.5)
Spot TV	21,065	14,538	44.9
Network Cable	2,401	0	NA
Network radio	6	0	NA
Spot radio	3,928	264	1,387.9
Measured	107,355	112,665	(4.7)
Unmeasured	39,300	41,200	(4.6)
Total	146,655	153,865	(4.7)

Mazda Motor of America during 1988 revamped its U.S. marketing arm, revitalized a stagnant ad strategy and built back declining vehicle sales.

The Irvine, Calif.-based subsidiary of Mazda Motor Corp., Hiroshima, turned a sales corner in the U.S. in 1988 by recording a 3.5% growth in car/truck unit sales of 343,620, compared to a volume decline in 1987.

Mazda adopted a new ad strategy beginning in late 1988 by showcasing individual models within its 1989 line, a departure from its traditional advertising of the entire line. Rationale for the plan was to impart personality traits on various models. That strategy set the stage for Mazda's big July debut of its MX-5 Miata convertible.

The 1988 merger of Mazda's two former U.S. operations into Mazda Motor of America was followed by a reorganization of its total marketing effort. The company set up a single national advertising department. It retained Foote, Cone & Belding, Santa Ana, Calif. but told the agency Mazda needed a stronger brand image as well as greater consumer awareness.

The U.S. market share for Mazda's total car sales for 1988 (imported and domestic production) grew to 2.42% from 2.03%, still behind American Honda with 7.26%, Toyota at 6.50%, Nissan at 4.46% and Hyundai at 2.50%. In the U.S. light-truck market, Mazda drew a 1.9% share based on its 93,287 unit sales, a drop of 33,400 units from 1987 when its share was 2.6%. Among the imports, Toyota leads with a 5.1% share, down from 6.5% in 1987.

While total ad spending in 1988 declined about 4.7% from the prior year, the prospect of intensified advertising behind individual new models in the 1990 model year was expected to push ad expenditures to new highs.

Mazda plans to increase its 1989 calendar-year, new-car and truck sales in the U.S. to more than 400,000 units, in spite of a forecast for a softer new car market and an average 2.7% price hike on its carryover models. The company expects truck sales to remain steady at the 100,000-unit level and car sales to improve 14%.

For 1990, Mazda is counting on the Miata and the MPV multipurpose vehicle to help it sell 500,000 vehicles. The forecast calls for sales of 40,000 Miatas, 60,000 MPVs (vans), 300,000 passenger cars and 100,000 pickups.

Mazda is working on a V-8 engine which could eventually power a luxury car to compete headon with the Honda Acura line. It is only nibbling at the moment on the Acura market with its Mazda 929 model, introduced in 1988. Priced just under $20,000, the 929 received the largest ad outlay among Mazda brands for the year.

LNA/Arbitron reported its ad spending at $20 million. Other measured spending for 1988 showed the RX-7 sports car at $16.8 million, the MX-6 sports car at $12.6 million, B2200 and B2600 trucks at $10 million, the Mazda 323, 626 models each at $8.5 million and MPV, $6.7 million.

Due to higher import duties on trucks, Mazda is considering producing pickup trucks in North America. Already the new MX-6 luxury sports coupe and the Ford Probe have been produced at its Flat Rock, Mich., plant with production of the 626 four-door sedan set for this fall.

Ads for the red, white and blue Miata, a two-seat convertible sports car with a $13,800 base price, used Norman Rockwell-like images and called for a return to simpler lifestyles. Miata is expected to attain sales of 20,000 by the end of calendar 1989.

MAZDA MOTOR OF AMERICA
7755 Irvine Center Dr.
Irvine, Calif. 92718
(714) 727-1990

Corporate personnel: Yoshinori Taura, president-ceo; Motoyuka Katsuke, Kensuke Kato, exec vps; George McCabe, deputy genl mgr, group vp-sales & mktg; Jim Seidel, Toshio Wakiya, deputy genl mgrs, group vps-operations.

Marketing personnel: Yogi Toyama, sr vp-mktg; Richard Colliver, sr vp-western area; James Weisner, sr vp-eastern area; William Hackett, vp-mktg; Jan Thompson, vp-adv; Duane Bowen, vp-pr; Robert Parker, vp-sales support; Tim Gallagher, pr mgr.

Brands/services by agency of record:
Mazdas

Ad agency: Foote Cone & Belding, Santa Ana, Calif.: Tom Randolph, chmn, FCB/West; William Hagelstein, exec vp-genl mgr; David Weber, vp-mgmt dir; Wendy Wienner, vp-sr acct dir; Don Ward, vp-mgmt dir, dealer assns; Tom Somerset, sr vp-mktg svcs, media rsch & planning; Larry Kopald, exec vp-exec creative dir.

RANK
65

MCA Inc.

Universal City, Calif.
ADVERTISING: **$153.7 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	3,024	2,590	16.8
Earnings	165	137	20.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	2,401	2,073	15.8
Operating income	250	162	54.2
■ Division sales	**1988**	**1987**	**% chg**
Filmed entertainment	2,216	2,021	9.7
Music entertainment	620	360	72.2
Retail, mail order	135	143	(5.2)
Book publishing	103	73	40.8
Toy products	128	158	(19.0)
Broadcasting, cable	537	493	8.9
Other	169	152	11.1

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	5,994	5,552	8.0
Newsp supp	233	332	(30.0)
Newspaper	20,693	15,040	37.6
Outdoor	1,550	750	106.5
Network TV	26,851	19,722	36.1
Spot TV	24,355	18,257	33.4
Synd TV	2,422	2,102	15.2
Network Cable	3,678	3,612	1.8
Network radio	305	137	123.3
Spot radio	5,779	4,231	36.6
Measured	91,858	69,735	31.7
Unmeasured	61,800	46,900	31.8
Total	153,658	116,635	31.7

"E.T. The Extra-Terrestrial," which gave MCA's Universal Pictures an extraordinary 30% of the film market seven years ago, broke home video records as well in 1988, selling at least 10 million copies during its holiday season release. "E.T." and "Twins," the December theatrical film releases, were financial boons to MCA—helping fourth quarter results account for 31.8% of annual revenues and 43.2% of operating income.

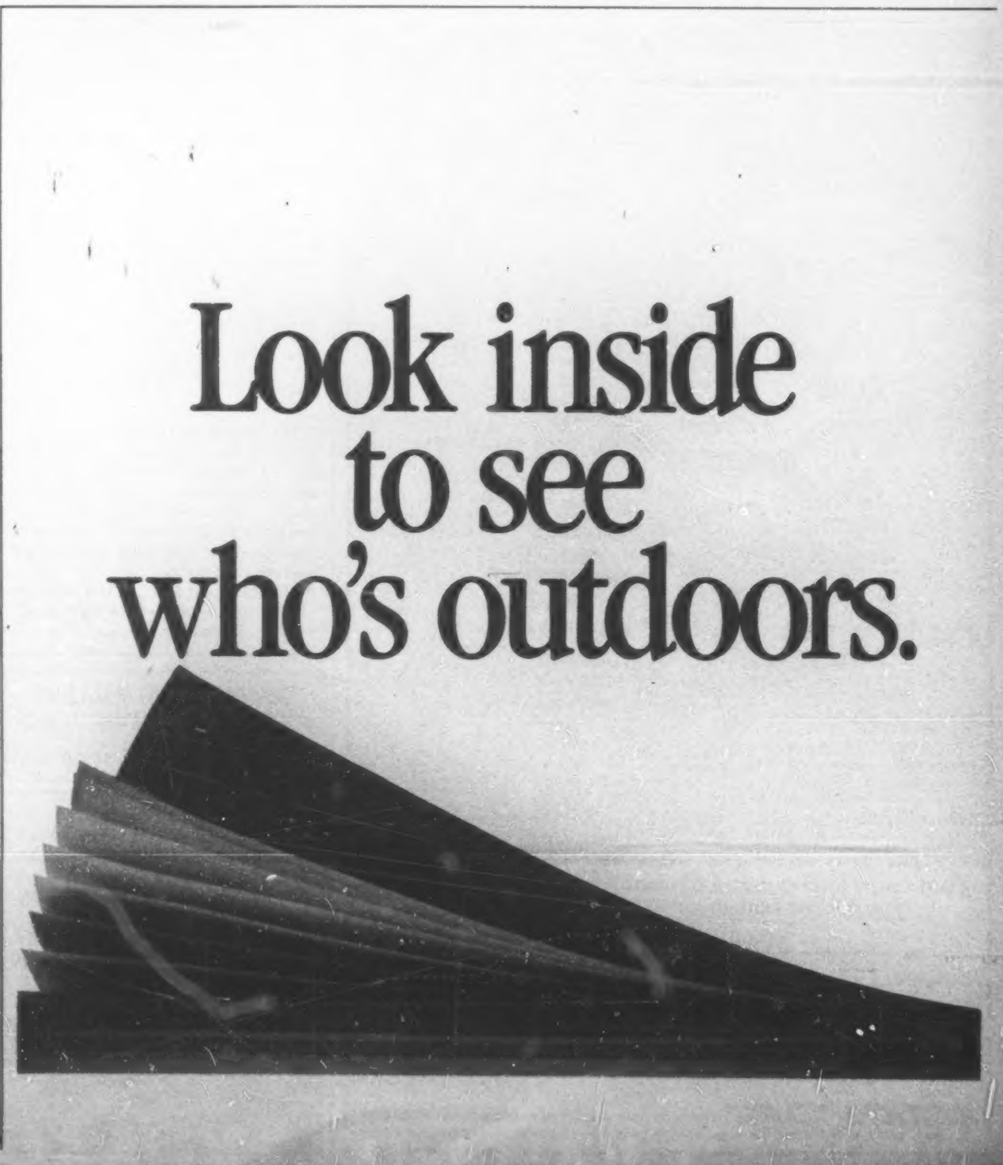
"E.T." also contributed to a 31.7% growth in ad spending. A cross-promotional campaign, in which the lovable alien starred in spots for Pepsi-Cola, carried a reported $25 million price tag.

Universal Pictures released 19 films in 1988, four more than in 1987. There were no major hits until December, however, when "Twins" racked up $32 million in rentals to distributors, making it the 12th-biggest film of the year, according to *Variety*. (Top-ranked "Who Framed Roger Rabbit" had rentals of $78 million.) The year-end success brought Universal into a tie with MGM/UA for fifth place among motion picture studios, with a 10% market share, up from sixth place in 1987, with 8%.

Measured ad spending for films rose from only $10.5 million to $65.2 million, with substantial amounts going to network and spot TV and newspapers.

Films most heavily advertised were "Midnight Run" at $8 million and "Gorillas in the Mist" at $7 million. Approximately $6 million each went to "Biloxi Blues," "The Great Outdoors" and "Twins."

In addition to "E.T.," strong home


Look inside to see who's outdoors.

video performers were "Dragnet," "Batteries Not Included," "Biloxi Blues" and "Shakedown." Measured ad spending totaled $7 million, almost three times what was spent in 1987.

The one weak spot among MCA's filmed entertainment operations was TV, where a shaky domestic syndication market contributed to a 17% drop in revenues for the division. In February, MCA consolidated its first-run (Los Angeles) and off-network (New York) TV operations under the L.A. office. Rather than a cutback, however, this was seen as a move that reflects the increasing connections between first-run and syndication projects. It follows similar consolidations by Paramount and Columbia Pictures Television.

In pay TV, MCA gained significant revenues from "Dragnet," "Harry and the Hendersons" and "The Secret of My Success."

Advertising for MCA's tourist attractions should boom when Universal Studios Florida opens and goes head-to-head with Disney next year.

The magic of "E.T." extended to MCA's music division, which handles domestic distribution of home videocassettes. The division also benefited from strong sales of records by Tiffany, Elton John, Bobby Brown, Reba McEntire and George Strait. Operating income was up 46.3% to $60.5 million.

MCA expanded its concert business last year, with the creation of MCA Event Marketing to set up promotions in places like shopping malls and theme parks. In April the company acquired Winterland Concessions, which has merchandising licenses with a number of stars, including Bruce Springsteen and Madonna and provides imprinted sportswear for the Hard Rock Cafe, Levi's and others.

MCA's retail and mail order business continued to suffer as a result of weak sales of gold jewelry at its Spencer Gift Stores and positioning problems in the mail order division. The company has been upgrading the Spencer stores and reorganizing its catalog business.

Measured advertising for MCA's toy products dropped 54.2% to $4.2 million, a fallout from last year's $35 million loss on defective Gotchal guns, a product of LJN Toys.

MCA spent $3.3 million in measured advertising for WWOR-TV. This was the first year in which the company received a full 12 months of revenues from the Secaucus, N.J., TV station, which it acquired from GenCorp's RKO General subsidiary in April 1987. MCA's broadcasting and cable division also included earnings from the company's 50% interest in USA Network.

MCA INC.
100 Universal City Plaza
Universal City, Calif. 91608
(818) 777-1000

Corporate personnel: Lew R. Wasserman, chmn-ceo; Sidney J. Sheinberg, president-coo; Thomas Wertheimer, exec vp.

MCA Motion Picture Group

Corporate personnel: Thomas Pollock, chmn; Joseph Fischer, Fred Bernstein, sr vps.

Universal Pictures

Marketing personnel: Simon M. Kornblit, exec vp; Nadia Bronson, vp-intl publicity & adv; David Sameth, sr vp-mktg; Victor Fondrk, vp-media & co-op adv; Charlotte K. Reith, vp-planning & finance; Perry Katz, Sally Van Slyke, sr vps-mktg.

Brands/services by agency of record:

MCA Motion Picture Group

Ad agency: DDB Needham Worldwide, Los Angeles: David Park, president; Victoria Gilbert, sr vp, dir-media; Sandra Coryell, assoc media dir; Ken Kaess, sr vp; Gary Fountain, vp-acct super; Pamela Blum, acct exec.

MCA Home Entertainment Group

Corporate personnel: Robert Blattner, president.

Marketing personnel: Louis A. Feola, sr vp-mktg; Craig Relyea, dir-adv; Roger Mill, dir-new mkts; Andrew Kairey, vp-adv & promo; Mark Hassen, art dir; Fred Chang, copywriter.

Brands/services by agency of record:

MCA Home Entertainment Group

Ad agency: Assigned on a project to project basis.

MCA Recreation Services

Corporate personnel: Jay S. Stein, vp-MCA Inc., president-MCA Recreation Services.

Marketing personnel: David Weitzner, president-worldwide mktg; Michele Reese, exec vp-mktg; Joan Bullard, vp-publicity & pr.

Brands/services by agency of record:

Universal Studio Tours-Hollywood
Yosemite Park & Curry Co.
Universal Studios Florida

Ad agency: Foote Cone & Belding, Los Angeles: Steve Hayman, genl mgr; Larry Kopald, creative dir; Tom Lesinski, acct dir; Amy Gruberg, assoc media dir.

Spencer Gifts
Atlantic City, N.J.

Corporate personnel: John P. Hacala, president; George Moser, president, mail order div; Michael Frappier, vp, dir-merch; Sally Westaway, mktg mgr; Douglas Curtis, div vp-mktg.

Brands/services by agency of record:

Spencer gifts

Ad agency: No current agency of record.

MCA Music
Entertainment Group

Corporate personnel: Irving Azoff, chmn.

MCA Records

Corporate personnel: Al Teller, president.

Marketing personnel: Richard Palmese, exec vp-mktg & promo; Larry Solters, sr vp-artist devel; Glen Lajeski, vp-merch; Geoffrey Bywater, vp-mktg; Jeff Adamoff, vp-creative svcs; Steve Meyer, sr vp-promo.

Brands/services by agency of record:

MCA records
Motown records

Ad agency: (In-house): Lankershim Advertising, Universal City, Calif.: Glen Lajeski, vp-merch.

MCA Distributing

Corporate personnel: John Burns, exec vp.

MCA Corporate Public Relations

Corporate personnel: Linda Weitzler, dir.

RANK
8

McDonald's Corp.

Oak Brook, Ill.
ADVERTISING: **$728.3 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales (systemwide)	16,064	14,330	12.1
Earnings	646	549	17.7
■ U.S.	**1988**	**1987**	**% chg**
Sales (systemwide)	11,380	10,576	7.6
■ Division sales	**1988**	**1987**	**% chg**
Sales by company-owned restaurants	4,196	3,667	14.4
Franchise revenue	1,325	1,186	11.7

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	6,371	7,192	(11.4)
Newsp supp	0	1,236	NA
Newspaper	528	853	(38.1)
Outdoor	6,306	6,607	(4.6)
Network TV	245,389	216,067	13.6
Spot TV	128,102	129,010	(0.7)
Synd TV	12,516	7,603	64.6
Network Cable	1,791	1,820	(1.6)
Network radio	0	0	NA
Spot radio	5,158	4,548	13.4
Measured	406,161	374,935	8.3
Unmeasured	322,159	283,000	13.8
Total	728,320	657,935	10.7

The secret to McDonald's Corp.'s continued success ceased being a secret long ago. Its attention to the basics of restaurant management—its motto of QSC&V (quality, service, cleanliness and value)—has given it an unparalleled sales base that translates into an also-unmatched marketing war chest.

Big Mac spent $1.02 billion in global advertising in 1988, including $406.2 million in U.S. media and another $314 million on U.S. promotional marketing. Advertising represented 6.4% of U.S. sales, up from 6.3% in 1987. Yet, this is less than what its competitors in the $60 billion U.S. fast food market spend proportionately.

McDonald's seems to continually find ways to spend its marketing funds more efficiently and with more impact than do its competitors.

It is more experimental with its menu and effective at pulling in customers through in-store games, promotions and sweepstakes, supported with heavy advertising. It maintains high visibility with an extensive building program—602 new restaurants were added in 1988 in traditional and non-traditional sites. It buys media during major events as well as through all dayparts and uses a variety of other media in addition to TV.

Industry sales in 1988 rose less than 5%, while McDonald's total U.S. sales were up 7.6%. Advertising increased faster: a 10.7% increase for measured-media spending and a 13.8% increase on unmeasured marketing.

With total industry growth fairly flat—making the fast-food business a fight for market share rather than sales growth—McDonald's promotional activities have become even more ubiquitous, with a new in-store game or promotion beginning almost immediately after one has ended.

In July 1989 it began a "Blast Back with Mac" promotion, reviving the "McMan in the Moon" character first used nationally in 1987 and featuring instant-win food discount stickers on cold-beverage cups.

That came less than three months after its "Scrabble" game promotion in March and April. In 1988, McDonald's ran "Monopoly II" (an expanded version of a 1987 promotion) during April and "When the U.S. wins, you win" during the Summer Olympics in September and October.

In between those "blockbuster" promotions came a series of smaller in-store promotions, including events tied to popular films: "Who Framed Roger Rabbit" and "Oliver & Co." in 1988; and in 1989, "Honey, I Shrunk the Kids" and "Chip'N Dale's Rescue Rangers."

Other promotions are tied to food products: a giveaway of sample bottles of Kraft salad dressings in June 1988, Chicken McNuggets Fiesta (accompanied by collectible South and Central American coins) in August 1988, and in February 1989 the "McDonald's Menu Song" sweepstakes (spotlighting all items on its menu).

McDonald's $245.4 million network TV and $128.1 million spot TV budgets give it leverage. It was a major advertiser on both the Winter and Summer Olympics broadcasts. It used spots during the Super Bowl broadcast in January 1988, to announce the national, limited-time rollout of its Cheddar Melt sandwich. During the Academy Awards telecast in April 1988 it introduced its new "Good time. Great taste" musical jingle.

It also was represented during such highly rated miniseries as "Lonesome Dove" while it shied away from more controversial broadcasts.

The area of its greatest media-spending growth in 1988 was in syndicated TV, where spending jumped to $12.5 million, up 65% from 1987.

In January 1989 it signed a deal with Media Home Entertainment's Hi-Tops Video unit to develop videos based on the chain's McDonaldland characters (featured in TV commercials targeted to children). The first video, "McTreasure Island," will be available in April 1990.

Eying the heavy traffic in Sears, Roebuck & Co. stores, McDonald's has begun opening restaurants in the department stores. And it has licensed its name and its characters to Sears for development of the McKids apparel and retail-store concepts.

McDonald's has increased its new-product development process yet remains conservative about systemwide introductions. Cheddar Melt rolled out in January 1988, but performed below expectations and was pulled after a planned national test run. In May 1989, Country Style McChicken sandwich, a reformulation of the McChicken sandwich widely available several years ago, went national.

A number of other products have been tested, including a steak biscuit and cinnamon rolls at breakfast, celery and carrot sticks, even fried chicken.

Most analysts expect pizza to be the next big new item. In 1988, McDonald's tried "McPizza," a single-serving pizza, in several markets. That apparently has been scrapped in favor of "McDonald's Pizza," a traditional 14-inch pizza (sold whole rather than in slices) tested in 1989 in selected markets in Indiana and Kentucky.

McDONALD'S CORP
One McDonald's Plaza
Oak Brook, Ill. 60521
(312) 575-3000

Marketing personnel: Paul D. Schrage, sr exec vp-chief mktg officer; Peter Nelson, sr vp-mktg; Richard G. Starmann, sr vp-comm; Roy T. Bergold, vp-adv; David B. Green, vp-natl mktg; Ronald W. Miessler, vp-comm svcs; Jim Rand, vp-mktg svcs; Charles L. Rubner, asst vp-comm; Sandy Silver, asst vp-natl adult mktg; Linda Kravitz, asst vp-natl youth mktg; Emil Teri, asst vp-natl special mktg; Laurie Grace, asst vp-intl mktg; David Dandurand, dir-sports mktg; Thom Kettle, dir-new prods mktg; George Griggs, dir-field mktg; Don Lorr, dir-mktg rsch; Jerry Powers, dir-mktg svcs; Jan Kramer, dir-real estate mktg; Court Kenaston, dir-intl mktg; Karen Dixon-Ware, dir-mktg media; Mike Gordon, dir-pr; Chuck Ebeling, dir-corp comm.

Brands/services by agency of record:

McDonald's

Ad agency: Leo Burnett USA, Chicago: Jim Shymkus, exec vp-client svcs dir; Jerry Conner, Barry Krause, sr vps-acct dirs; David Heggen, Nina Abnee, Michael Tam, Tom Claggett, Trish Anastos, Paul Driggs, Tony Weisman, acct supers.

■

Black consumer mktg

Ad agency: Burrell Advertising, Chicago: Linda Pharr, sr vp-mgmt super; Will Adkins, vp-acct dir; Rob Jackson, vp-acct super.

■

Hispanic consumer mktg

Ad agency: Castor GS&B Advertising, New York: Castor Fernandez, chmn; Al Garcia-Serra, ceo; John Gomez, acct super.

■

Public relations

Ad agency: Golin/Harris, Chicago: Pat Strickler, sr vp; Don Ingle, vp-pr & sports; Jack Daly, vp-media relations.

■

Black consumer pr

Ad agency: Burrell Public Relations, Chicago: Jim Hill, president; Michael Bateman, asst vp.

RANK
63

Mobil Corp.

New York
ADVERTISING: **$155.9 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	54,361	51,387	5.8
Earnings	2,087	1,348	54.8
■ U.S.	**1988**	**1987**	**% chg**
Sales	17,411	16,305	6.8
Operating income	997	788	26.5
■ Division sales	**1988**	**1987**	**% chg**
U.S. petroleum operations	14,756	14,324	3.0
Foreign petroleum operation	36,117	35,051	3.0
Chemicals	4,448	3,090	43.9

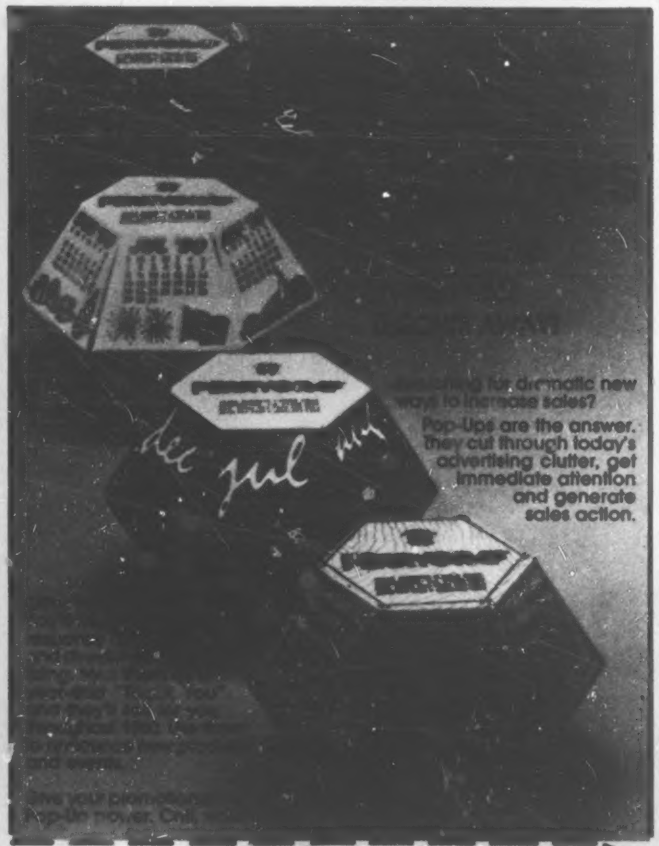
U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,176	3,666	41.2
Newsp supp	63	360	(82.6)
Newspaper	8,284	6,183	34.0
Outdoor	26	26	0.0
Network TV	12,203	12,996	(6.1)
Spot TV	12,002	11,544	4.0
Synd TV	3,020	765	295.1
Network Cable	990	1,225	(19.2)
Network radio	317	200	58.5
Spot radio	6,767	7,689	(12.0)
Farm pub	298	253	17.9
Measured	49,147	44,905	9.4
Unmeasured	106,800	97,600	9.4
Total	155,947	142,505	9.4

Mobil Corp. turned full attention to its petroleum and chemical businesses in 1988, following the $1.6 billion sale in June of Chicago-based retailer Montgomery Ward & Co. to an investment group headed by Ward management. As a result, Mobil had its best year since 1981, with earnings up 55%.

Mobil spent the year buying and selling various U.S. refineries and production facilities. The design was to replace less profitable assets with potentially profitable ones. There were plans to trade 240 Mobil stations west of the Rockies to BP/Sohio for 330 of their stations east of the Rockies, a lucrative region for Mobil.

Mobil continues to put the biggest



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chunk of its measured budget, approximately 40%, into its motor oils and gasoline, both of which are handled by its Marketing & Refining Division in Stamford, Conn. Spending was divided between the two products, with $8.8 million in measured media going for Mobil 1 Motor Oil and $8.3 million for Mobil gasoline. TV was the focus of both marketing efforts.

Sales were up in both categories, with the new 93-octane Super Unleaded Plus gasoline, introduced in some Midwest markets in 1987, helping to account for a 10% increase in gas demand, according to Mobil. In 1988 Mobil launched Mobil Special, an unleaded midgrade (89 octane) gasoline, in major markets east of the Rockies. The product replaces leaded gasoline.

Mobil currently holds a 6.84% share of the auto gasoline market, putting it in fourth place behind Shell at 8.23%; Amoco Corp., 7.27% and Exxon, 7.04%, according to figures from the 1988 Lundberg Survey.

Advertising of $6.3 million was divided between network and spot TV for Mobil 1, whose sales jumped 20% worldwide in 1988. Mobil holds 6.4% of the synthetic lubricants market behind Exxon at 21.7%; Sun, 10.8% and Chevron, 10.5%.

Mobil Chemical Co. spent $14.4 million on the Hefty bag brand in 1988. In an ongoing battle with First Brand's Glad bags for market leadership, Mobil allocated $8.1 million of the total to Hefty Plastic Tall Kitchen and Trash Bags, three times more than in 1987 with most of it for network and syndicated TV.

Mobil eased up on Hefty plastic bags, spending $4.1 million in 1988, down 60%. During both years the bulk of this budget went into network TV. Mobil Chemical also markets Baggies and Kordite.

The third-largest portion of Mobil's ad budget, $3.2 million in 1988, promoted the Mobil name through various corporate sponsorships. In 1988 Mobil signed a seven-year contract to sponsor the New Year's Day Cotton Bowl at a cost of $2 million per year. The first Mobil Cotton Bowl took place in January 1989.

Mobil continues sponsorship of the Williams Racing team in the Grand Prix Drivers championship, the Mobil Track & Field Championship and PBS' Masterpiece Theater and Mystery Theater series. It also continues as a corporate voice on national issues that affect the industry through advocacy ads.

MOBIL CORP.
150 E. 42nd St.
New York, N.Y. 10017
(212) 883-4242

Corporate personnel: Allen E. Murray, chmn & president-ceo.
Brands/services by agency of record:
Corp adv
Ad agency: DDB Needham Worldwide, New York: Lawrence Iannuzzelli, exec vp; Anne Oliver, vp-mgmt super; Susan Serenska, asst acct exec.

Mobil Oil Corp.
New York
Corporate personnel: Allen E. Murray, chmn-ceo; Richard F. Tucker, vice chmn & president-coo; Eugene A. Renna, president, Mobil Marketing & Refining, Worldwide.

Mobil US Marketing & Refining Division
Fairfax, Va.
Marketing personnel: Joseph L. Cooper, president.
Brands/services by agency of record:
Mobil auto gasoline
Mobil 1 oil
Ad agency: DDB Needham Worldwide, New York: Lawrence Iannuzzeli, exec vp; Bill Mates, sr vp-mgmt super; Jose Banzon, acct super.

Mobil Chemical Co.
Stamford, Conn.
Marketing personnel: Robert G. Weeks, president.
Brands/services by agency of record:
Hefty bags
Baggies
Kordite
Ad agency: Wells, Rich, Greene, New York: Dick Byrne, exec vp.

RANK
64

Montgomery Ward & Co.

Chicago
ADVERTISING: $155.3 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	34	78	(55.9)
Newsp supp	0	0	NA
Newspaper	63,500	67,178	(5.5)
Outdoor	13	23	(42.2)
Spot TV	4,849	5,554	(12.7)
Spot radio	10,232		NA
Measured	78,629	72,831	8.0
Unmeasured	76,700	71,100	7.9
Total	155,329	143,931	7.9

In behavior uncommon for companies operating in a leveraged buyout environment, Montgomery Ward & Co. increased spending on new stores and new advertising campaigns, rather than make sharp cutbacks. Under Chairman Bernard F. Brennan, Ward's moved fast to introduce everyday low prices on thousands of name brand items in its four major merchandise categories.

Despite a continued soft retail market and a horde of low price, name brand imitators—including Sears, Roebuck & Co., led by Mr. Brennan's brother Edward A. —Ward's posted impressive sales and earnings gains, enabling the company to pare down acquisition debt and chart an aggressive course of growth for the coming months.

To signal its new direction, Ward's for the first time in late 1988 took to the TV and radio airwaves with ads featuring Mr. Brennan touting his commitment to low prices on leading brands. The company plans to continue broadcast advertising to reach new customers.

Growth in Montgomery Ward spending in 1988 in fact is credited solely to spending in spot radio of $10.2 million, compared to no spending in that medium in 1987, according to Radio Expenditures Reports. Its other big medium is national newspapers, which drew 81% of total measured media expenditures. Much of Ward's print advertising is unmeasured, appearing as inserts and direct mail pieces.

The turnaround at Ward's is becoming legendary. When Mr. Brennan took the helm in 1985, parent Mobil Corp. was weighing a decision to close the 117-year-old retailer. Losses that year totaled $298 million.

Mr. Brennan slashed merchandise lines, killed Ward's catalog division, reduced employee headcount by 17,000, or nearly 25%, and embarked on a strategy to run Ward's like a specialty store. He chose to compete in four major categories—appliances and electronics, home furnishings, automotive and apparel—[illegible] to make Ward's competitive [illegible] areas.

Last year he booked reco[illegible] $139 million, up 6.9%, on sa[illegible] billion, flat with the previous yea[illegible]

In June 1988, he completed the [illegible] billion buyout from Mobil. Due to the unique structure of the deal—in which he simultaneously sold Ward's credit card operation to General Electric Capital Corp. for $2.7 billion—Mr. Brennan actually bought Ward's for about $1 billion.

Yet even that figure overstates the purchase price, because $400 million represented ongoing real estate debt. So the net cost to Mr. Brennan was only $600 million, a figure he has paid down already by $75 million.

Ward's ended the year leveraged less than 10-to-1, very comfortable by LBO standards, where typical debt-to-equity ratios run as high as 25-to-1.

With his strategy in place and his finances in order, Mr. Brennan is set to expand. In 1990, he plans to open 35 new stores and hire 10,000 employees. Ward's currently operates 330 stores in 39 states and employs about 70,000.

Even as it expands its broadcast purchases—Ward's this fall will air TV commercials in 23 major markets, which is double the number of last autumn's initial broadcast campaign—Ward's does not plan to significantly reduce its print purchases. In part, it sustains its level of print spending by achieving greater operating efficiencies, such as using desktop computers in house to design inserts.

The centerpiece of its broadcast campaign, handled by Saffer USA Advertising, will continue to be the use of spokesman Jamie Widdow, an actor who starred in "Animal House." Ward's will go for a more contemporary look to its ads, with quicker takes and more upbeat music.

Mr. Brennan will appear in the ads only rarely, if and when Ward's has a strategic positioning statement to make to the public. Ward's last remaining strategic push will be in the apparel area, where it still needs to focus more sharply on its customers' preferences and establish name brand credibility.

Its first two specialty formats—Electric Avenue for appliances and electronics, and Auto Express for automotive goods and services—strategically are set. Home Ideas for home furnishings is undergoing a strategic rethinking process.

MONTGOMERY WARD & CO.
Montgomery Ward Plaza
Chicago, Ill. 60671
(312) 467-2000

Marketing personnel: Bernard F. Brennan, chmn-ceo; Jack Daynard, exec vp-mktg.
Brands/services by agency of record:
Montgomery Wards
Ad agency: Saffer USA Advertising, Chicago: Nancy Bernstein, acct mgr.

RANK
15

Nestle SA

Vevey, Switzerland
ADVERTISING: $573.8 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	27,051	23,432	15.4
Earnings	1,356	1,215	11.5

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	63,477	56,616	12.1
Newsp supp	3,319	2,296	44.6
Newspaper	16,363	2,955	453.8
Outdoor	789	1,121	(29.6)
Network TV	109,496	115,403	(5.1)
Spot TV	69,152	62,743	10.2
Synd TV	26,644	17,599	51.4
Network Cable	5,023	3,803	32.1
Network radio	5,666	3,977	42.5
Spot radio	4,291	4,198	2.2
Measured	304,220	270,711	12.4
Unmeasured	269,600	239,900	12.4
Total	573,820	510,611	12.4

Nestle S.A. continued to build U.S. market share in its big coffee and pet foods operations and maintained its strong share in frozen dinner entrees. And it invested heavily in European candy and pasta markets in preparation for the relaxation of tariff duties by the European Community in 1992.

Nestle worked on agency compensation and media issues as well. In Europe, it explored taking more control over media buying with an eye toward exercising similar controls with its U.S. budget. In the U.S., Nestle Foods Corp. last year consolidated spot media buying with J. Walter Thompson USA.

Early this year, Carnation unveiled agency incentives that link agency fees with how advertising tests in research. Carnation said the plan, created in-house with assistance from Lintas:New York, was developed independent of its Swiss parent.

In instant coffees, Nestle strengthened its No. 2 position behind General Foods to a 33.1% share from 32.1%, according to John C. Maxwell Jr. of Wheat, First Securities. Gains in Taster's Choice, Nestle's leading instant coffee, and Hills Bros., MJB and Chase & Sanborn, three regional brands, offset the slippage in Nescafe.

Nestle, attempting to energize Nescafe, boosted total measured media spending on the brand by 52.3% to $9.2 million. Spending on Taster's Choice declined 12.7% to $19.6 million. The far-smaller budgets for the regional Hills and MJB brands showed increased spending.

In regular coffee, the regional labels also improved, strengthening Nestle's share by 1.5 points to 13.0%, but still a distant No. 3 to Procter & Gamble's 31.8% and General Foods USA at 27%.

Nestle Foods last year considered but rejected consolidating its Hills Bros. coffee business, San Francisco, with its Nestle coffee unit in Purchase, N.Y.

Last September, Nestle invaded a fast-rising market with the national rollout of its Toll House Ready-to-Bake Cookie Dough, drawing on the power of its Toll House chocolate brand. It backed the launch with $6.1 million in media spending.

Nestle strengthened its candy business in 1988 with the takeover of Rowntree PLC, a U.K. confectioner. The buyout included Sunmark, a U.S. marketer of candies and nuts. Nestle also bought Buitoni, the Italian pasta giant. The company paid a combined $6 billion for the two purchases.

Nestle's Wine World sales grew by 10% in 1988, surpassing the $100 million mark in sales. Early this year, Chiat/Day/Mojo, San Francisco, resigned as agency for Wine World, which shifted to Fran Hulse Advertising, San Francisco.

Beech-Nut Nutrition Corp., a distant No. 2 behind Gerber Products Co. in baby food, increased total measured spending last year 55.6% to $7.4 million. A new campaign featured Joan Lunden of "Good Morning America."

Beech-Nut, in the Nestle family since 1979, was sold late this month to Ralston Purina. Nestle, reportedly unforgiving of Beech-Nut's earlier ethical breech, had quietly put the business up for sale. Beech-Nut pled guilty in 1987 to producing and marketing apple juice that was adulterated and mislabeled.

Carnation also generated controversy in the baby food market with its introduction last November of an infant formula brand that Nestle already sold in Europe.

Carnation promoted its Good Start H.A. formula as "hypoallergenic," suggesting the brand had a reduced potential for causing allergic reaction. The FDA, American Academy of Pediatrics and nine states contended parents might infer that Good Start was non-allergenic.

Bowing to pressure, Carnation ended a consumer information campaign from Ogilvy & Mather, Los Angeles, and dropped hypoallergenic—but not 'H.A.' —from the product label.

In July, Carnation paid $90,000 to nine states to settle their investigations. But Carnation said it remained committed to infant formulas.

Carnation's bad start with Good Start is

Read the news
to see
who's in print.

the latest formula bout faced by Nestle, put on the defensive in the 1970s for its sale of formula in developing nations. Last October, an advocacy group, Action for Corporate Accountability, reinstated its boycott of Nestle, charging the company with violating World Health Organization rules for infant-formula marketing.

Carnation's share in the $5.9 billion pet food market rose slightly to 12.0% from 11.8%, just a notch behind No. 2 Quaker at 12.8%. Ralston Purina dominates with 28.3%.

Carnation introduced Perform, a premium brand for dogs and cats, in 1988. Its pitch was home delivery. Perform competes with Hill's Science Diet, Iams Co. and Ralston Purina in the growing market for pet foods sold in non-supermarket outlets. Measured spending on Perform last year totaled only $352,200.

Carnation continued to provide strong media support for premium pet products: Fancy Feast canned cat food got $10.9 million, down 5.2%; Grand Gourmet canned dog food received $9.4 million, up 71%, according to LNA/Arbitron. Fancy Feast rose 0.1 share points to 14.6% of the $999 million canned cat food market and Grand Gourmet climbed 2.6 share points to 5.4% of the $920 million canned dog food market, according to John C. Maxwell Jr., analyst with Wheat First Securities.

Friskies cat food line drew $8.7 million in media spending, a 45% boost that helped push its overall share of the canned and dry cat food market worth $1.79 billion to 16.3% from 15.6% in 1987.

Stouffer's Lean Cuisine continued to lead the $1.7 billion low-calorie frozen food entree market with an estimated 38% share, about the same as 1989. That translates to about a 25% share of the $3 billion frozen entree market.

Stouffer's introduced in the spring of 1989 a seven-item line of hot and spicy foods with names like Ginger Chicken and Jambalaya Creole, all under the Irrezestables label. The launch introduction was handled by Tatham-Laird & Kudner, which recently replaced Della Femina, McNamee WCRS as the Lean Cuisine agency.

Stouffer branded products drew $35 million in measured spending in 1988, down 2.8%. Frozen entrees, including Lean Cuisine, totaled $22.6 million, up 32%.

Cosmair, a cosmetics marketer made up basically of two major divisions, L'Oreal and Lancome, in early 1988 extended its L'Oreal hair-care series with Studio Line spritz, sprays and related products via McCann-Erickson Worldwide, New York. Spending on Studio Line reached $13.5 million.

This fall, Cosmair will spend an estimated $35 million introducing Plenitude, a mass-market skin-care line that will face off against P&G's Oil of Olay, which has a 28% share of $640 million (at retail) mass-market for facial lotion. Plenitude, a global brand already sold in Europe and Australia, has been tested in Dallas and Atlanta.

Cosmair, which is owned 62% by Nestle and the remainder by L'Oreal, spent $17.1 million backing Lancome branded products, up 27%, and $42.2 million in support of the L'Oreal line, up 33.5%.

NESTLE SA
353 Case Postale
1800 Vevey
Switzerland

Nestle Enterprises
5757 Harper Rd.
Solon, Ohio 44139
(216) 349-5757

Corporate personnel: James M. Biggar, chmn.

Alcon Laboratories
Fort Worth, Texas

Marketing personnel: E.H. Schollmaier, president-ceo.

Beech-Nut Nutrition Corp.
Fort Washington, Pa.

Marketing personnel: Joseph Gaeto, vp-mktg.

Brands/services by agency of record:

Beech-Nut Stages

Ad agency: Sherwood & Schneider, New York: Marvin Schneider, chmn-ceo; Lew Sherwood, president-creative dir.

Carnation Co.
Los Angeles

Marketing personnel: Timm F. Crull, president-ceo; John McMennamin, vp-mktg svcs; Anne Fox, dir-media; Lou Carlo, president-genl mgr, dairies div; Stephen Cunliffe, president-genl mgr, pasta & cheese; John Harris, vp-genl mgr, Carnation prods div; Gordon James, vp-genl mgr, culinary prods div;Ernie Strapazon, vp-genl mgr, nutritional prods div; Chuck Weil, vp-genl mgr, Friskies PetCare div.

Brands/services by agency of record:

Libby's canned meats
Libby's pumpkin
Libby's salmon
Contadina pasta sauce
Spot buying

Ad agency: Bloom Cos., Dallas: Mark Bateman, sr vp-mgmt super.

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■

Fresh Catch
Friskies Buffet
Friskies Kitten Formula
Carnation Ice Cream Bon Bons
Carnation Deluxe Ice Cream
New prods
Sales promo

Ad agency: Dailey & Associates, Los Angeles: Robert Brownson, exec vp, dir- sales promo & pr; Brian Morris, exec vp, dir-client svcs; Robert Berger, sr vp-mgmt super.

■

Carnation hot cocoa mixes
Carnation Instant Breakfast
Coffee-mate
Come 'n Get It
Fancy Feast
Friskies dry cat food
Mighty Dog

Ad agency: Lintas:New York: Stone Roberts, group exec vp; Peter Barnet, exec vp.

■

Contadina Fresh
Grand Gourmet
Perform dog food
Acclaim pet food
Good Start H.A.
Good Nature
New prods

Ad agency: Ogilvy & Mather, Los Angeles: Roger Wojahn, vp-mgmt super.

Cosmair Inc.
New York

Corporate personnel: Jacques Correze, chmn; Guy Peyrelongue, president-ceo.

Brands/services by agency of record:

L'Oreal hair care prods
L'Oreal cosmetics
Vanderbilt
Glorious
Paloma Picasso
Cacharel Anais Anais
Lou Lou
Drakkar Noir
Biotherm

Ad agency: McCann-Erickson, New York: Linda Joselow, sr vp-mgmt rep; Phyllis Califano, David Edwards, vps-mgmt reps; Jeanne Davidson, vp-acct super; Helen Johnson, Stuart Klein, acct supers.

■

Chaps
Lauren
Polo

Ad agency: No agency of record at time of publication.

■

Armani fragrances
Lancome prods
L'Oreal Plenitude skincare line

Ad agency: Publicis New York: Fred Rhines, president; Anne Lacombe, sr acct exec.

Hills Bros.
San Francisco

Marketing personnel: Barry Reis, vp-mktg.

Brands/services by agency of record:

Hills Bros.
Chase & Sanborn

Ad agency: Cohen & Johnson, Los Angeles: Vicki Rittermal, acct super.

■

MJB

Ad agency: Hal Riney & Partners, San Francisco: Karen Wallerich, acct super.

Nestle Foods Corp.
Purchase, N.Y.

Marketing personnel: Frank J. Arthofer, group vp, chocolate; Jeffrey T. Caso, group vp, coffee & tea; C. Larry Davis, group vp, devel businesses; Steve Kubinski, dir-adv.

Brands/services by agency of record:

Taster's Choice

Ad agency: Della Femina, McNamee WCRS, Pittsburgh: Larry Pizer, sr vp-mgmt super.

■

Nestle Crunch Bar
Goobers
Raisinets
Bit-O-Honey
Nestle Hot Cocoa Mix
Crunch Ice Cream Bars
100 Grand Bar
Laffy Taffy

Ad agency: Jordan, McGrath, Case & Taylor, New York: John Taylor, exec vp; Stephen Badenhop, sr vp-mgmt super

■

Quik milk flavorings
Nescafe

Ad agency: McCann-Erickson, New York: Linda Boothby, David Edelberg, vps-mgmt reps; Nancy Kingsberg, Kevin Scher, acct supers.

■

Nestea
O'Henry
Chunky
Nestle Bars
Alpine White
After Eight
Turtles
Tollhouse
Nestle Morsels
Nestle Frozen Ready to Bake

Ad agency: J. Walter Thompson USA, New York: Steven Dworin, sr vp.

Stouffer Foods Corp.
Solon, Ohio

Marketing personnel: Gerald DeCrooe, vp-mktg.

Brands/services by agency of record:

Entrees/side dishes
Dinner Supreme
Pizza

Ad agency: Della Femina, McNamee WCRS, Pittsburgh: Howard Gittins, chmn; Richard Grinberg, sr vp.

■

Lean Cuisine
New prods

Ad agency: Tatham-Laird & Kudner, Chicago: Robert Hielscher, sr partner, dir-client svcs.

Stouffer Hotel Co.
Solon, Ohio

Marketing personnel: Ronald A. Nykiel, sr vp-mktg.

Brands/services by agency of record:

Stouffer hotels

Ad agency: Wyse Advertising, Cleveland: James Hunt, sr vp-acct mgmt.

Stouffer Restaurant Co.
Solon, Ohio

Marketing personnel: Rick Cassara, vp-mktg.

Brands/services by agency of record:

Stouffer restaurants

Ad agency: Wyse Advertising, Cleveland: Chris Hayes, acct super.

Sunmark Inc.
St. Louis

Marketing personnel: James P. Gagliarducci, president-ceo.

Brands/services by agency of record:

Sunline brands candy
Willy Wonka brands candy
David & Sons sunflower seeds & nuts

Ad agency: (In-house): James P. Gagliarducci, president-ceo.

Wine World
St. Helena, Calif.

Marketing personnel: J.F. Tonjum, sr vp-sales & mktg; Janelle Thompson, vp-mktg.

Brands/services by agency of record:

Beringer
Chateau Souverain
Meridian

Ad agency: Fran Hulse Advertising, San Francisco: Fran Hulse, president.

RANK
73

News Corp.

Sydney
ADVERTISING: $139.1 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	4,354	3,503	24.3
Earnings	341	544	(37.3)
U.S.	**1988**	**1987**	**% chg**
Sales	1,836	1,877	(2.1)
Operating income	299	261	14.4
Division sales	**1988**	**1987**	**% chg**
Newspapers	1,859	1,331	39.7
Magazines	441	376	17.3
Television	408	453	(9.9)
Filmed entertainment	857	915	(6.3)
Commercial printing	188	117	61.1
Other	602	313	92.5

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	5,687	11,952	(52.4)
Newsp supp	129	1,073	(88.0)
Newspaper	20,778	27,587	(24.7)
Outdoor	82	592	(86.2)
Network TV	19,809	13,866	42.9
Spot TV	45,355	47,529	(4.6)
Synd TV	3,595	1,968	82.6
Network Cable	3,513	3,246	8.2
Network radio	9,734	4,899	98.7
Spot radio	[illegible]8,360	3,980	237.4
Measured	122,040	116,673	4.6
Unmeasured	17,100	16,300	4.9
Total	139,140	132,973	4.6

Acquisition of Triangle Corp. in 1988 and the growing strength of Fox Broadcasting Network have made News Corp. a powerhouse in the U.S. media market.

The Rupert Murdoch company also expanded its empire into the free-standing insert business, acquiring Product Movers and Quad/Marketing in August 1988. The acquisition gave News Corp. half the FSI market.

In the magazine division, Mr. Murdoch has moved briskly with startups, acquisitions and divestitures.

Possibly the most closely followed startup, and riskiest to date, is News Corp.'s launch this spring of *Mirabella*, a woman's high-fashion monthly, named for ex-*Vogue* Editor Grace Mirabella, who serves as the new publication's editorial director.

After the $3 billion acquisition of Triangle Publications and its *TV Guide* in summer 1988, Mr. Murdoch quickly folded Triangle's *Good Food*. In July, 1989, News Corp. surprised industry observers by folding once-promising *In Fashion* magazine, which only a few months before it had received a slick redesign.

News Corp. ended two magazine joint ventures. It sold its 50% stake in the American and English versions of *Elle* to partner, Hachette Publications, in September 1988. In early 1989, News Corp. acquired from Hachette the half interest in *Premiere* it didn't already own.

News Corp. acquired *Soap Opera Digest* from Network Publishing Corp. this summer. The acquisition is expected to strengthen News Corp.'s already-strong presence at supermarket and convenience store checkouts where it is sold alongside *TV Guide*.

In what was termed a debt-reduction move, News Corp. sold its Travel Information Group, comprised of lucrative directories and travel industry trade magazines, to Reed International PLC in spring 1989 for $825 million.

In 1988, News Corp.'s total U.S. advertising grew 4.6%, with much of the growth related to the support of 17 films released by Twentieth Century-Fox compared with support of 12 releases in 1987. *AA* attributed all Triangle advertising in 1988 to News Corp.

Two box office winners drew heavy support. "Big" pulled $10.5 million, largely in newspapers, network and spot TV. The other blockbuster, "Diehard," received $9.5 million, largely in the same media.

The single largest measured ad expenditure, $36.5 million, was listed for *TV Guide*, 70% of it spent in spot TV. However, much of that is believed to be tradeouts.

The Fox Network was backed by $4.6 million in measured media, mostly magazines. News Corp. spent far more promoting the fledgling network in 1987 when media spending measured $13.7 million. Fox Network moved this fall into Mondays, its third night of prime time. Its rating for Saturday and Sunday prime time periods in the 1988-89 season rose 39% to a 6.1 average from 4.4. Each rating point equals 904,000 homes.

Fox continues to operate in the red although a profit is expected this coming season.

NEWS CORP.
2 Holt St.
Sydney, Australia N.S.W. 2010

Corporate personnel: Rupert Murdoch, ceo.

News America Publishing
New York

Marketing personnel: Rupert Murdoch, chmn; Martin Singerman, president.

Murdoch Magazines
New York

Marketing personnel: John Evans, president; Leslie Hinton, exec vp.

Fox Inc.
New York

Marketing personnel: Barry Diller, chmn; Jonathan Dolgen, president.

Fox Television Stations
New York

Marketing personnel: Robert Kreek, president-coo.

Fox Broadcasting Co.
New York

Marketing personnel: Jamie Kellner, president-coo.

Harper & Row Publishers
New York

Marketing Personnel: George Craig, ceo.

Brand/services by agency of record:

News America Publishing
Murdoch Magazines
Fox TV Stations
Fox Broadcasting
Harper & Row publishing

Ad agency: (In-house): Leon Hertz, exec vp, News America Publishing, vp-global mktg, News Corp Ltd.

Twentieth Century-Fox Film Corp.
Los Angeles

Marketing Personnel: Joe Ross, chmn.

Brands/services by agency of record:

Twentieth Century-Fox

Ad agency: J. Walter Thompson USA, Los Angeles: James Agnew, exec vp-genl mgr.

RANK
49

Nissan Motor Co.

Tokyo
ADVERTISING: $224.9 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	27,530	26,297	4.7
Earnings	[illegible]	287	64.9

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	35,826	19,361	85.0
Newsp supp	299	213	40.8
Newspaper	8,154	5,302	53.8
Outdoor	977	212	361.7
Network TV	57,159	46,680	22.5
Spot TV	64,147	43,593	47.2
Synd TV	1,559	664	134.6
Network Cable	595	453	31.3
Network radio	0	2,735	NA
Spot radio	8,633	6,890	25.3
Measured	177,347	126,102	40.6
Unmeasured	47,600	33,800	40.8
Total	224,947	159,902	40.7

With a flood of new cars and an ad budget for 1989-model vehicles estimated at 40% larger than for 1988, Nissan Motor Corp. USA is pulling out of its recent sales dive.

Halfway into what has been a mediocre year for the rest of the auto industry, Nissan is regaining some of the market share it surrendered during the dismal 1986-1988 period. By mid-year 1989, Nissan's U.S. sales were up about 10% over its 1988 year-to-date performance.

By fall 1990, Nissan, a subsidiary of Nissan Motor Co., Tokyo, will have replaced almost every vehicle line introduced in 1987 with all-new products. Only its compact pick-up truck, which remains in a sales slump, escapes the revamp.

Perhaps its biggest gamble will take place this fall with the U.S. launch of Infiniti, an upscale luxury car. Advance advertising in the trade and enthusiast publications has carried the "Created by Nissan" tag, but future associations with Nissan will not be so overt. Sales of 45,000 Infinitis are anticipated its first full year through a network of 125 dealers.

During 1988, Nissan accounted for 114,538 of the 120,000-unit shortfall in all Japanese imports in the U.S. below their self-imposed 2.3 million quota.

To clear inventories, Nissan launched a costly rebate program with price advertising that did little to enhance a quality image. Rebates have since been discontinued and Nissan has vowed to keep them from 1989 models.

During 1988, Nissan's total car/truck unit sales (imported and domestic production) were 642,461, down 13.9%. Nissan cars accounted for 4.46% of the U.S. market, down from 5.17%, still behind Honda's 7.26% and Toyota's 6.50%. In the U.S. light-truck market, Nissan accounted for a 3.48% share, down from 4.64% in 1987.

Import sales of Nissan's best-selling Sentra, a sub-compact sedan priced at $6,999, accounted for 134,984 units, up 11.4%. The Sentra received $17 million in measured ad spending in 1988, up 20% from the previous year, according to LNA/Arbitron.

Sales of Maxima slid to 74,451 in 1988, although Nissan expects the $30 million spent on measured advertising for the year (up from $5 million) to build sales momentum for 1989. Its goal is to sell 110,000 Maximas.

The industry-wide slump in truck sales was met by a 66% boost in measured truck advertising to $35 million. Nissan anticipates selling 173,000 trucks in 1989, up 2%. Nissan spends about 30% of its measured ad budget on trucks.

Nissan's 1989 model year reverted to the "Built for the human race" theme of 1987, scuttling 1988's much criticized "yuppie engineers" TV spot.

The Sentra, Stanza, Pulsar, Pathfinder and trucks were carryover models in 1989, but there were four all new or completely redesigned models—the 240SX, Maxima, Axxess and 300ZX. Their intros came at staggered intervals to permit focused advertising of one new model at a time, in what was termed an "event marketing" approach.

The Infiniti initially will offer the Q-45, a $35,000 to $40,000 V-8-powered luxury sedan and the M-30 coupe and convertible, equipped with a 3-liter V-6. The coupe will be priced between $22,000 and $25,000.

Nissan played with its media mix in [illegible] boosting its magazine spending [illegible] $35 million. Then midway through the 1989 model year, it canceled the remainder of its magazine schedule to shift $9 million more into spot TV to lend national support to advertising expended by regional dealers.

During 1988, Nissan consolidated all marketing through 11 regional general managers, replacing a more localized plan in which ads were created by 33 local agencies.

NISSAN MOTOR CORP.
P.O. Box 191
Gardena, Calif. 90247-7635
(213) 532-3111

Corporate personnel: K. Hagiwara, president; Robert J. Thomas, vp-genl mgr, Nissan div; William Bruce, vp-genl mgr, Infiniti div.
Marketing personnel: Nissan: Tom Mignanelli, exec vp-operations; John Nystrom, mktg dir; Tom Hushek, natl adv mgr; John Rinek, natl adv creative mgr; Karen Gustafson, natl genl svcs mgr; Joe Fenton, natl merch mgr. Infiniti: William Bruce, vp-genl mgr; Peter Bossis, mktg dir; David Hubbard, natl adv mgr; Patrick Doody, natl merch mgr; William Wolf, corp pr mgr.
Brands/services by agency of record:

Nissan

Ad agency: Chiat/Day/Mojo, Venice, Calif.: Lee Clow, president-creative dir; Tom Patty, exec vp-acct dir; Steve Goldman, vp-mgmt super, creative media; Dennis Stefani, vp-mgmt super, strategic devel; William Flora, mgmt super-genl svcs; David Butler, sr vp-assoc creative dir; Mas Yamashita, vp-assoc creative dir; Hank Antosz, vp-media dir.

■

Infiniti

Ad agency: Hill, Holliday, Connors, Cosmopulos, Inglewood, Calif.: Charles J. Cushnell IV, exec vp; Robert Blinick, Jack Palmer, sr vps-mgmt supers; Kurt Olson, sr vp-media dir; Michele Shibuya, vp-acct super.

RANK
79

Noxell Corp.

Hunt Valley, Md.
ADVERTISING: **$126.7 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	522	489	6.6
Earnings	51	44	17.1
■ U.S.	**1988**	**1987**	**% chg**
Sales	437	414	5.6
Operating income	75	70	6.8

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	25,962	24,109	7.7
Outdoor	43	0	NA
Network TV	38,642	48,992	(21.1)
Spot TV	2,358	3,570	(34.0)
Synd TV	3,709	3,483	6.5
Network Cable	744	545	36.3
Network radio	670	0	NA
Spot radio	1,138	659	72.7
Measured	73,298	81,358	(9.9)
Unmeasured	53,400	59,300	(9.9)
Total	126,698	140,658	(9.9)

Noxell pared its advertising and promotion budget in 1988 to pre-1987 levels as the pace of new product introductions slowed down. In 1987, major introductions in the Cover Girl, Clarion and Noxzema lines had stimulated ad growth.

Media ad spending for the Cover Girl brand dropped 6% to $43 million; fell 9% to $19 million for Clarion and slipped 5.8% to $9.5 million for Noxzema, according to LNA/Arbitron. Cover Girl remains the largest brand advertised in the U.S. cosmetics category, slightly ahead of Schering-Plough's Maybelline line.

Cosmetics account for over half of Noxell's total sales, with toiletries a substantial part of the remainder. Lestoil household products are minimal contributors.

Noxell's premier product line, Cover Girl, accounts for 50% of total Noxell cosmetics sales. Cover Girl increased its share of mass-market cosmetics in the first half of 1989 to 23%, after a fall in 1988 to 21%. Nevertheless, sales are flat in 1989 and retailers are reducing inventories.

As a result, Noxell accelerated promotional activity in 1989 and has instituted selective price increases to boost gross margins. The second half of this year will see additional price increases, the company says.

While Noxell says its consumer market shares are strong, it has suffered in the past several quarters by a trimming of retail inventories, say Wall Street analysts.

Some industry observers say the company needs more exciting products to create new momentum. Cover Girl's new packaging and colors and the Clarion skin-care line should at least help in the near-

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THE NEWS

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and expanded services offering unique approaches to advertiser needs with proven tested results. The services are: one order—one bill for group buys; retail, classified, co-op, sales promo-

attractive rate structures; regional campaigns, extensive and current marketing research; over 120 trained sales professionals; Landon's networking experience; 27 offices nationwide; computer support systems for

term. Others think Noxell is seeking a major acquisition in the toiletries and personal care products area as a sure-fire way to boost market share and fuel sales growth.

Cover Girl continued active on the new product front. This summer Cover Girl debuted its first sunscreens, Sun Shines SPF 15 lip gloss and Summer Face Tinted Gel Blush.

In August 1988, Cover Girl introduced Extremely Gentle cosmetics line, including pressed powder, eye shadows, blush and the now No. 1-rated hypoallergenic mascara, following the launch of a treatment line for eyes and skincare with shadows and lash primers, makeup remover and moisturizers.

Cover Girl products account for just under 50% of the mass face makeup cosmetics market. The brand holds 35.5% share of an essentially no-growth mass cosmetics mascara market. It has a one-third-plus share of the mass eyeliner market and 30% share of the mass eye shadow market, up a fraction over 1988. Cover Girl lipstick, which ranked No. 2 in the color cosmetics category with a 29% share, exhibited strong sales growth fueled by the introduction of Soft Radiant Lights lipstick.

Cover Girl's share of the flat-growth nail polish market is 15%, up slightly over last year with a reshaded nail polish line and new NailSlicks Transparencys positioned against Cutex and Sally Hansen.

Clarion products division has yet to see the $70 million in annual sales predicted by industry analysts when the new line debuted in 1986. However, its 1989 share of mass cosmetics market rose to 4.1%, up from 2.9% in 1988, says Brenda Lee Landry, analyst with Morgan Stanley. Sales in 1989 have increased 40% in the first quarter and more than 30% in the second.

Noxell reports the introduction of the Clarion skin treatment line in first-quarter 1989 contributed additional momentum. Clarion's new ad campaign with the theme, "Looking Great and Knowing It," debuted in July 1988. The Leo Burnett USA campaign is credited with pushing up sales 20% to $50 million in 1988. The campaign stresses the line's personalized color service via Clarion computers in retail stores. The trend-setting, in-store color analysis computer now features Spanish-language software.

Noxell says Clarion market shares and dramatic sales increases were gained in all products—particularly liquid makeup, powder and blush. Clarion now has a 6.9% share of the liquid face makeup market in chains and drugstores.

Most products in the Clarion line were reshaded last year, including the lipstick line, which contributed to a doubling of business. Another contributor was the introduction of Lasting Color Lipstick in 1988. Clarion holds 2.5% of the mass lipstick market.

In April 1989, Noxell introduced a new 13-product Clarion Skin Care line. It is expected to boost advertising for the line by 20%.

Noxema brand products, including Noxzema Medicated skin cream, the No. 1 facial cleansing cream, and Noxzema shaving cream, with two new formulas, may get an ad boost following the move from Campbell-Mithun-Esty to Burnett.

Noxema's 15% share of the $280 million face creams and lotions market is expected to decline unless new products are forthcoming to revitalize the line, according to Wall Street analysts. A potential catalyst could be Noxzema's Clear-Ups, consisting of a new gel product, that was introduced early in 1989. Another recent contributor is DifRinse, the first water soluble cold cream product. It debuted in third-quarter 1988.

NOXELL CORP.
11050 York Rd.
Hunt Valley, Md. 21030-2098
(301) 785-7300

Marketing personnel: George L. Bunting Jr., chmn-ceo; Marvin L. Hathaway, president-coo; Eugene H. Levering, sr vp-sales; Peter M. Troup Sr., vp-mktg; Charles J. Busta, vp-mktg, Cover Girl; Michael B. McNamara, vp-mktg, Clarion cosmetics & toiletries; Donald S. Pettit, mktg dir-new prods; D.T. McCutcheon, dir-mktg rsch; William B. Harford, dir-household prods; Bruce F. Nelson, exec vp, mgr-Caliente Chili.

Brands/services by agency of record:

Noxell prods

Noxzema skin cream

Cover Girl cosmetics

New prods

Ad agency: Lintas:New York: F. Stone Roberts, group exec vp, Noxell; Sheri Colonel, exec vp, Noxell; Lance Smith, mgmt super, Noxzema toiletries; Paul Guagliardo, acct super, Noxzema toiletries; Brian Zeug and Joanne Factor, acct execs, Noxzema toiletries; Philippa Schoenfeld, acct super, Noxell new prods; Leah Carr, acct exec, Noxell new prods; Dan McLaughlin, vp-acct super, CG makeup; Eden Compton, acct exec, Moisture Wear; Thomas Shaffer, acct exec CG lips & nails; Audrey Shapiro, acct exec, Clarifying, Oil Control, Skin Care; Stephen Shaffer, acct exec, Clean Makeup, Replenishing, Extremely Gentle Makeup, CG blush.

■

Clairon products

Ad agency: Leo Burnett USA Chicago: Dan Reid, exec vp; Linda Wolf, sr vp-acct dir; Brad Brinegar, vp-acct super; Eric Happell, sr acct exec, face makeup; Janine Baretta, Valeri Teets, acct execs, lips and nails; Amy Hohulin, acct exec, eye makeup; Deena Elkholy, asst acct exec, lips and nails; Johnson Schaff, acct exec, Noxzema shave cream; Philippa Schoenfeld, acct super, Noxell new prods; Donna Fletcher, acct super, Noxell new prods; Bill McComb, asst acct exec, Noxell new prods.

■

Noxell new prods

Ad agency: Lotas Minard Patton McIver, New York: Judy Lotas, Sally Minard, Joanna Patton, Karen McIver, partners; Dick Ellington, acct mgmt; Kristin Moore, Doug Finelli, Carmine Coppola, art; Scott Samuel, tv production.

■

Lestoil

Ad agency: Seligman, Potterfield & Johns, New York: Tom Potterfield, president; Rich Rudduck, acct exec.

■

Caliente Chili products

Ad agency: GSD&M, Austin, Texas: Steve Gurasich, chmn-mgmt super; Robert Miller, acct super.

RANK
60

Nynex Corp.

New York

ADVERTISING: **$160.4 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	12,661	12,084	4.8
Earnings	1,315	1,277	3.0

■ Division sales	1988	1987	% chg
Local service	5,663	5,613	0.9
Long distance	1,415	1,334	6.1
Network access	3,251	3,133	3.8
Other	2,332	2,005	16.3

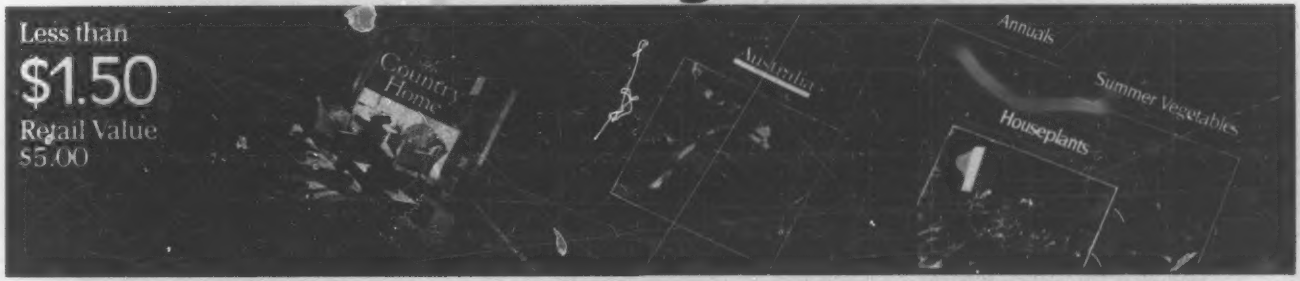
U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	9,814	4,655	110.8
Newsp supp	1,256	1,520	(17.4)
Newspaper	23,072	20,818	10.8
Outdoor	180	235	(23.1)
Spot TV	42,412	33,783	25.5
Network Cable	389	180	116.0
Network radio	0	177	NA
Spot radio	6,252	6,112	2.3
Measured	83,375	67,480	23.6
Unmeasured	77,000	62,300	23.6
Total	160,375	129,780	23.6

Nynex Corp., which is looking abroad and at its domestic cellular telephone op-

If you want a success to last, reward it with a gift that lasts.



The Country Home
16-page self-cover booklet.

Australia
32-page booklet with separate cover.

The Time-Life Gardener's Guide
Annuals, Summer Vegetables and *Houseplants*
Three 16-page self-cover booklets.

Less than
$5.00
Retail Value
$15.00

Computer Basics
128-page softcover book.

Mystic Places
160-page hardcover book.

The Time-Life Christmas Songbook
Dolby-encoded cassette included.

Less than
$15.00
Retail Value
$45.00
The Fit Back

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Successful Parenting
Childhood Medical Guide, Raising a Happy Child and *Your Baby's First Year*
Three 144-160-page hardcover books with slipcase.

Getting Fit
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All with choices starting at an amazing 50¢ (on quantities of 100,000)!

To find out what's new from a name you know well, just mail the coupon or call 703-838-7300.

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TIME LIFE.

Name Title

Company Phone

Address

City State Zip

Attach your business card or letterhead and mail this coupon to:

TIME-LIFE BOOKS, Special Sales Division,
777 Duke Street, Alexandria, VA 22314.

AA/989

erations to expand, continued to spend heavily in advertising.

Nynex's measured advertising was up 24%, according to LNA/Arbitron, with the single largest expenditure credited to New York Telephone Co.—$32.6 million in 1988, up 7.2%, and split largely between spot TV and newspapers.

New York Telephone's residence campaign continued the theme, "A Call Can Make a Difference" to increase usage.

The business campaign features products and services that can help solve customers' telecommunications problems through technological advances. Ads are tagged, "Think Ahead."

New England Telephone & Telegraph continued its same "conflict-resolution" ad campaign of 1987. Advertising shot up 39.8% to $13.7 million, mostly in spot TV, according to LNA/Arbitron.

Nynex's umbrella corporate campaign via Young & Rubicam was themed, "The Answer is Nynex." Key ads featured the sky falling, hell freezing over and the world coming to a halt without Nynex. Spending rose to $11.3 million for corporate advertising from $4.7 million, according to LNA/Arbitron.

Yellow Pages advertising continued the "Human Cartoon" campaign via Chiat/Day/Mojo. Ads feature a charade-type game to encourage viewers to guess the directory heading. Ads are tagged, "If it's out there—it's in here."

This fall Nynex will launch in Poughkeepsie, N.Y., and Burlington, Vt., Calling Number Delivery, which displays the number of the incoming call; Automatic Recall, which retrieves the last incoming call if a customer happens to miss picking up the phone in time; Automatic Callback, which redials the last outgoing call; and Customer-Oriented Trace, which enables a customer to trace the last incoming call.

In April 1989, New York Telephone launched Nynex's "Info-Look," a videotex service which allows a personal computer user to access information data bases and services through one telephone line. It is expected to be available in Boston this fall. Nynex can transmit data, but is restricted from providing the information.

Advertising for Nynex Business Centers, which sold $400 million in equipment and services in 1988, dropped 52% to $1.3 million, according to LNA/Arbitron. Nynex has 81 outlets, second only to Businessland with 120, according to Anne Stahel, analyst, StoreBoard Inc., a Dallas-based market research company. It ranks 10th among computer specialty stores, a category led by Computerland with 482 stores, says Ms. Stahel.

Nynex is building alliances with telecommunications authorities and partners in Britain, France, Japan, China, the Netherlands, Spain, Italy, Singapore, West Germany, Sweden and Taiwan. "Bell operating companies are expanding internationally. They can get into offering services in international markets that they can't get into in the U.S. due to restrictions," said Cathy Clarke, senior analyst, The Yankee Group, Boston.

Chairman Delbert C. Staley retired this month and was succeeded by William C. Ferguson, president-CEO.

NYNEX CORP.
335 Madison Ave.
New York, N.Y. 10017
(212) 370-7400

NYNEX CORP.
113 West Chester Ave.
White Plains, N.Y. 10604
(914) 644-6000

Corporate personnel: Ivan Seidenberg, sr vp-external affairs; Al Boschulte, vp-mktg; Emery Westfall, corp dir-external relations; Trish Watson, dir-adv.

Brands/services by agency of record:

Corp adv

Ad agency: Young & Rubicam, New York: Robert Gleckler, mgmt super; Ann Sullivan, acct super; Vanessa Turi, Renell Sullivan, acct execs.

New York Telephone
New York

Marketing personnel: Theodore Federici, vp-external affairs; Michael Clendenin, mng dir-external affairs; Louis Kruh, dir-adv.

Brands/services by agency of record:

Public telephone

Ad agency: Bozell Inc., New York: Gary Andrews, sr vp-acct group dir.

■

Public telephone direct

Ad agency: Bozell Direct, New York: Tim Fenton, president; J.B. Harrison, mgmt super; Howard Fishman, acct super.

■

Direct Mail

Ad agency: Chapman Direct Advertising, New York: Rosemary O'Brien, vp-mgmt super; Gary Watson, acct super; Gail Organ, sr acct exec.

■

Hispanic mkts

Ad agency: Conill Advertising, New York: Carlos Rossi, president; Emilio Alvarez-Recio, acct exec.

■

Direct mail various programs

Ad agency: Grey Direct, New York: Jim Battin, vp-acct group mgr; Margaret Myhan, acct super.

■

Business & residential adv

Ad agency: Young & Rubicam, New York: Larry Shapiro, vp-group dir; Sean Healey, mgmt super; John Morris, acct super, residential & business; Julie Butkiewicz, acct exec, residential & business.

New England Telephone
Boston

Marketing personnel: James Crain, vp-external affairs; Geraldine O'Brien, mng dir-adv.

Brands/services by agency of record:

Business & residential adv

Ad agency: Cabot Communications, Boston: Carolyn Smith, sr vp-mgmt super; Arthur Sweetser, Peter Hathaway, Natalie Cox, vps-acct svcs.

■

Residential direct mail

Ad agency: Cabot Direct, Boston: Suzanne Delice, vp-mgmt super.

■

Genl & business direct mail

Ad agency: Dickinson Printing & Mailing, Quincy, Mass.: Reid Dickinson, president.

■

Business direct mail

Ad agency: Rapp Collins Marcoa, Boston: Karen Zahorsky, vp-mgmt super.

Nynex Information Resources Co.
New York

Marketing personnel: Donald MacKenzie, vp-coo; Bernie Bloomfield, vp-mktg & staff.

Brands/services by agency of record:

Yellow Pages

Ad agency: Chiat/Day/Mojo, New York: Mary Maroun, mgmt super; Lorraine Arado, acct exec.

■

Hispanic mkts

Ad agency: Conill Advertising, New York: Carlos Rossi, president; Emilio Alvarez-Recio, acct exec.

Nynex Business Information Systems
New York

Marketing personnel: Douglas G. Martin, vp-office systems; Thomas G. Philie, vp-mktg.

Nynex Business Centers
Atlanta

Marketing personnel: Brian P. Davis, vp-business devel mktg.

Brands/services by agency of record:

Nynex Business Centers
Nynex Business Information Systems

Ad agency: Hill, Holliday, Connors, Cosmopulos, Boston: Scott Cheyne, sr vp-group dir.

Nynex Mobile Communications
Pearl River, N.Y.

Marketing personnel: Dennis McManus, vp-genl mgr; Sheila Enwright, mgr-adv & promo.

Brands/services by agency of record:

Collaterals

Ad agency: Lohmeyer Simpson, Morristown, N.J.: Richard Ricciardi, exec vp; Valerie Moody, acct exec.

■

Boston cellular service

Ad agency: Partner & Simons: Tom Simons, president; Michele Fitzgibbons, acct exec.

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212-687-4050

RANK
72

Paramount Communications

New York
ADVERTISING: $139.2 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	5,108	4,701	8.7
Earnings	385	356	8.0
U.S.	**1988**	**1987**	**% chg**
Operating income	322	284	13.2

U.S. advertising by media
($ in thousands)

Media	1988	1987	%chg
Magazine	942	1,571	(40.1)
Newsp supp	0	28	NA
Newspaper	25,725	25,151	2.3
Outdoor	55	33	65.3
Network TV	31,872	11,383	180.0
Spot TV	18,065	25,149	(28.2)
Synd TV	3,222	354	810.6
Network Cable	2,588	1,943	33.2
Network radio	796	313	154.1
Spot radio	577	593	(2.7)
Measured	83,841	66,518	26.0
Unmeasured	55,400	43,900	26.2
Total	139,241	110,418	26.1

Paramount Communications in June changed it name from Gulf & Western, signaling that it has virtually completed its goal of becoming an entertainment conglomerate.

The one-time broadly-based conglomerate is now made up of Paramount film studios and TV production operations; Simon & Schuster and other publishing operations; the New York Knicks basketball team and MSG Network cable. In July, the company agreed to sell to Ford Motor Co. its remaining non-entertainment entity, Associates First Capital Corp., a financial services company. Ford is paying $3.5 billion for Associates.

Paramount will not end the year as the nation's largest entertainment company as intended, since its $12.2 billion offer to purchase Time Inc. disintegrated at midyear, allowing Time to consumate its $14 billion merger with Warner Communications.

The company's largest advertiser, Paramount Pictures Corp., had a strong 1988, with such hits as "Fatal Attraction." The division spent an estimated $69 million on movie promotions, 83% its measured media, according to LNA/Arbitron.

Of the 30 movies Paramount released in 1988, the company promoted "Crocodile Dundee II" the heaviest, with $6.5 million in advertising. In second place was "Coming to America," which drew $6.1 million.

For the year, Paramount's share of theatrical rentals dropped from a first-place 20% in 1987 to second-place 16% in 1988, as Walt Disney Co. powered its way to a 20% share from 14%.

Paramount started the summer of 1989 on a strong note with the release of "Indiana Jones and the Last Crusade," (grossing $168 million), however, it struck out with "Star Trek V: The Final Frontier," which made only $50 million. Paramount as a result slipped into second place behind Warner Bros. whose "Batman" and "Lethal Weapon II" blockbusters gave it 17.8% of the nation's box office take through July, compared with 17.5% for Paramount. Disney holds the No. 3 spot, with 13.8%, due primarily to its surprise hit "Honey, I Shrunk the Kids."

Operating income for Madison Square Garden rose because of increased ad and subscriber revenues at MSG Network and increased income from the N.Y. Knicks. The Knicks had higher attendance, greater TV revenue and income from playoff games. In 1988, MSG Network entered into an agreement to televise some New York Yankees baseball games through the year 2000. Approximately $2 million was spent advertising MSG-related properties.

PARAMOUNT COMMUNICATIONS
15 Columbus Circle
New York, N.Y. 10023-7780
(212) 373-8000

Corporate personnel: Jerry Sherman, vp-corp comm.

Paramount Pictures

Corporate personnel: Deborah Rosen, sr vp-corp comm.

Motion Picture Group

Marketing personnel: Barry London, president; Mardi Marans, exec vp-worldwide mktg; Nancy Goliger, exec vp-mktg & creative affairs; Thomas Campanella, sr vp-adv; Robert Dorfman, sr vp-east coast publicity & adv; Diana Widom, sr vp-publicity & promo; Michael Battaglia, vp-promo & field publicity; Cheryl Boone Isaacs, vp-publicity; Michael Camp, vp-creative adv, audio visual; Lucia Ludovico, vp-creative adv, print; Martin Kutner, exec vp, intl mktg & distribution; Leslie Pound, vp-intl mktg.

Brands/services by agency of record:

Motion Picture Group

Ad agency: D'Arcy Masius Benton & Bowles, New York: Mary Hunt, vp-acct mgmt; Chet Conklin, promo mgr.

Television Group

Marketing personnel: Network: John Wentworth, exec dir-adv, publicity & promo. Domestic: Steven Goldman, exec vp-sales & mktg; Meryl Cohen, sr vp-adv & promo.

Brands/services by agency of record:

Network

Ad agency: Grey Advertising, New York: Robert Berenson, exec vp-admin & acct mgmt.

■

Domestic

Ad agency: Jacobson/Gerber, Los Angeles: Ray Jacobs, Susan Kantor, acct dirs.

Video Division

Marketing personnel: Hollace Brown, vp-adv & promo; Jack Kanne, vp-sales; Alan Perper, vp-mktg.

Brands/services by agency of record:

Video div

Ad agencies: J.Walter Thompson USA, Los Angeles: Michael Arkin, vp-entertainment group, vp-acct super.

90% (Design), Hollywood, Calif.: Henry Vincarra, president.

Madison Square Garden

Marketing personnel: Michael Walker, sr vp-mktg & comm; Linda Iburns, corp vp-mktg; Mamie Begley, vp-corp comm.

MSG Network

Marketing personnel: Lee Berke, vp-mktg.

Brands/services by agency of record:

MSG Network

Ad agency: Grey Entertainment & Media, New York: Al Lieberman, president; Ed Ritchkoff, mgmt super.

Simon & Schuster

Corporate personnel: Barbara M. Reno, sr vp, dir-corp comm.

Marketing personnel: Judy Lee, vp, dir-promo; Martha Otis, dir-adv; William Schneider, dir-mktg; Pat Cool, adv dir; Debra Miller, Walter Walker, mktg dirs.

Brands/services by agency of record:

Simon & Schuster trade div
Pocket Books
Summit Books

Ad agency: Franklin Spier, New York: Alex Nelson, ceo; Erin McHugh, vp-assoc creative dir; Rhonda Hall, vp-acct exec.

■

Prentice Hall trade div

Ad agency: Danza Schulman & Glennon, New York: Dennis Glennon, partner.

■

PR for Silver Burdett & Ginn

Ad agency: Stoorza, Zirgaus & Metzger, Sacramento, Calif.: Sharon Hawkins, asst acct exec.

■

Prentice Hall School

Ad agencies: Whitman Studios, Clifton, N.J.: Jim Whitman, president.

Group IV Design, Avon, Conn.: Lynn Moores, acct rep.

■

Modern Curriculum Press

Ad agency: Belden, Frenz & Lehman, West Lake, Ohio: Jerry Fenton, president.

■

Manac Systems International

Ad agency: Foster, Montreal: John Woodfine, acct exec.

■

Simon & Schuster Human Resources

Ad agencies: Winston Advertising, New York: Terry Goldstein, acct exec.

Tempo Advertising, New York: Irene Goldsmith, acct exec.

RANK
22

J.C. Penney Co.

Dallas
ADVERTISING: $426.6 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	14,833	15,332	(3.3)
Earnings	807	608	32.7
Division sales	**1988**	**1987**	**% chg**
J.C. Penney stores	13,364	13,428	(0.5)
Catalog	2,918	2,585	12.9

U.S. advertising by media
($ in thousands)

Media	1988	1987	%chg
Magazine	10,927	9,044	20.8
Newsp supp	2,092	1,208	73.1
Newspaper	74,568	90,721	(17.8)
Outdoor	49	31	60.7
Network TV	39,645	48,507	(18.3)
Spot TV	8,530	12,957	(34.1)
Synd TV	3,647	3,420	6.6
Network Cable	2,620	2,847	(8.0)
Network radio	5,008	2,612	91.7
Spot radio	6,496	292	2,124.5
Measured	153,580	171,634	(10.5)
Unmeasured	273,000	280,000	(2.5)
Total	426,580	451,634	(5.5)

In 1988, J.C. Penney Co. essentially completed its decade-long repositioning. Gone are the hardware, major appliance, lawn-and-garden, automotive, camera, sporting goods and home-electronics departments. In are clothes, clothes and more clothes.

But now the nation's fourth largest retailer faces its most daunting challenge. Before it can see results from its estimated $2 billion makeover, Penney's must convince consumers it is no longer the dowdy mass merchandiser they once knew.

To address this makeover, Penney's has made "fashion credibility" a priority in its advertising message, which previously focused on sales, said Jim Hradecky, senior VP-creative director for N W Ayer/Dallas, the retailer's agency.

In spring 1989, it introduced on network TV a series of stylish, contemporary and sometimes humorous image spots, which positioned Penney's as America's fashion department store for men's, women's and children's apparel.

Periodic sale events still are important to Penney's strategy, but the value message has been tempered with a stronger fashion/image message, Mr. Hradecky said.

Special events and promotions also are key. Penney's will salute "The Spirit of the American Woman" in a two-week October promotion that is expected to return annually. Also, in November, Pee-Wee Herman will set up a playhouse full of merchandise in most of Penney's 1,400 stores. In October 1988, Penney's and Pizza Hut did a joint merchandise tie-in with the Steven Spielberg/George Lucas animated dinosaur film "The Land Before Time."

In the future, Penney's looks to grow outside its base of 1,400 department stores. It is experimenting with a number of specialty retail concepts, from apparel shops to furniture stores.

Penney's hopes that any or all of them match the success of its Garland, Texas-based Units subsidiary, a 160-unit modular knit clothing chain that now is being expanded into Canada and the U.K.

Among the concepts being tested are: Portfolio Interiors by J.C. Penney, a furniture, accessories and custom decorating chain: Tezio, a 14-unit private label cosmetics chain and In Details, a three-unit upscale bed-and-bath shop.

Penney's is considering spinning off its successful MixIt sportwear department into a separate freestanding chain. It now has one store open. Also, Penney's is considering opening in the fall a moderately-priced misses sportswear concept, called Amanda Fielding.

Penney's sunk $106 million into Telaction, an interactive home shopping service, before calling it quits in March 1988 and taking a $20 million write off. Instead, Penney's has tuned in with a 24-hour cable shopping channel. In April, it acquired the Shop Television Network, its joint venture partner since 1987 and renamed the service the J.C. Penney Television Shopping Channel. Penney's is the parent company of Thrift Drug and The Treasury Drug Center, which operated 434 stores by year-end 1988.

J.C. PENNEY CO.
14841 N. Dallas Parkway
Dallas, Texas 75240-6760
(214) 591-1000

Marketing personnel: W. Barger Tygart, exec vp, dir-merch; Ronald Shuler, dir-mktg comm; Joe Chicoski, mgr-media svcs; Darryl Erickson, sales plans mgr; Edward Hayward, adv mgr; Kay Baker, mgr-publicity, special events; Paul Clark, mgr-corp special events; Dave Nafziger, dir-visual merch: Gerald Testor, mgr, presentation; Charles Lipscomb, dir-personal merch; Robert Burke, controller, merch.

Women's Division

Marketing personnel: John A. McConville, president; Kenneth Russo, div vp, dir-mktg.

Men's Division

Marketing personnel: Thomas D. Hutchens, president; J. Raymond Pierce, div vp, dir-mktg.

Children's Division

Marketing personnel: James L. Hailey, president; Andrew Cumming, div vp, dir-mktg.

Home & Leisure Division

Marketing personnel: James J. Kennedy, president; J. Thomas Arthur, div vp, dir-mktg.

Brands/services by agency of record:

J.C. Penney stores & prods

Ad agency: N W Ayer, Dallas: Tom Hooke, sr vp-mng dir; Jim Hradecky, sr vp-creative dir; Dave Lyon, Jennie Smith, vps-acct supers; Tom Carey, acct super.

RANK
9

Pepsico Inc.

Purchase, N.Y.
ADVERTISING: $712.3 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	13,007	11,366	14.4
Earnings	762	605	26.0
■ U.S.	**1988**	**1987**	**% chg**
Sales	10,551	9,395	12.3
Operating income	954	812	17.5
■ Division sales	**1988**	**1987**	**% chg**
Soft drinks	4,638	3,976	16.7
Snack foods	3,514	3,202	9.8
Restaurants	4,855	4,188	15.9

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	1,753	936	87.2
Newsp supp	95	32	193.5
Newspaper	7,577	9,354	(19.0)
Outdoor	3,080	4,518	(31.8)
Network TV	145,048	140,342	3.4
Spot TV	257,957	271,069	(4.8)
Synd TV	7,080	7,814	(9.3)
Network Cable	4,707	3,742	25.8
Network radio	3,942	5,203	(24.2)
Spot radio	28,198	19,766	42.7
Measured	459,447	462,776	(0.7)
Unmeasured	252,900	240,000	5.4
Total	712,347	702,776	1.4

PepsiCo's soft-drink operations posted the biggest sales gains while its fast food operations continued to serve up the largest orders in sales and ad volume during 1988.

Pepsi-Cola, known for creating event advertising—it brought Michael Jackson into the cola wars—had mixed results with presenters in 1988 and 1989.

Public pressure led Pepsi to drop its affiliation with Madonna after it ran a two-minute commercial including snippets from her provocative music video, decried as sacrilegious in some quarters.

Better suited for public consumption was Los Angeles Dodgers' pitching ace Orel Hershiser, who is doing a double-header plug for Pepsi and the company-owned Pizza Hut chain.

The company's restaurant segment, which includes Kentucky Fried Chicken and Taco Bell, accounted for 37% of all sales during 1988 and nearly 58% of PepsiCo's total measured media spending, according to LNA/Arbitron. In April, Tracy-Locke, Dallas, lost the Taco Bell account to Foote, Cone & Belding after a review.

PepsiCo spent $248.8 million, down 2.4%, in media to advertise its three big restaurant chains. KFC pulled $100.6 million of the total, down 10.8%; Pizza Hut drew $83.1 millon, up 5.3%; Taco Bell spent $64.9 million, up 3%, according to LNA/Arbitron.

In February, PepsiCo sold its bottled water operation (Ice Mountain label) to Poland Spring Co., part of the Perrier Group.

PepsiCo also completed the biggest U.S. acquisition of a soft-drink bottling operation to date, paying $1.78 billion to General Cinema Corp. for the largest independent Pepsi-Cola bottler in the U.S. This followed its $705 million buyout of Grand Metropolitan's soft-drink bottling operations in 1988.

In its battle with Coca-Cola for market share, Pepsi gained an additional four-tenths of a point to claim a 31.3% share to Coke's 40%, the same as in 1987.

In the diet soft-drink segment, Pepsi's share of the U.S. market increased to 28.4% during 1988, up from 27.1% in 1987.

The new Diet Mountain Dew alone accounted for 1% market share after only one complete year in 1988. However, Pepsi is still chasing Coca-Cola, which boosted its share in the diet soft-drink segment from 42.4% to 44.3% in 1988.

As expected, the juice-added market continues to evaporate for Pepsi's segment-leading Slice and Diet Slice brands. Slice's share continued its free fall, from 3.8% of total market in 1986 to 2.7% in 1987 to 1.8% in 1988.

This spring, Pepsi began an attempt to salvage Slice by reducing its juice content and repositioning the troubled brand in the lemon-lime segment. Segment leaders are Coke's Sprite and Dr Pepper's 7UP. Including their diet counterparts, Sprite and 7UP claimed 4.4% and 4.1%, respectively.

Dallas-based Frito-Lay, which represented 4[illegible]% of PepsiCo's overall operating profits in 1988, increased an estimated 10% in snack foods sales to $4.1 billion at retail ($2.87 billion manufacturer's level), according to *Snack Food* magazine.

Frito-Lay improved its share in the U.S. potato chip market to 33.5% from 32.9% in 1987, with Ruffles and Jays each accounting for about 45% of F-L's total dollar volume of $1.022 billion wholesale in chips, up an estimated 7%.

A Ruffles line extension in 1988, Ruffles Cheddar n' Sour Cream, drew strong sales its first year, according to PepsiCo. F-L's Ruffles Light, with lower oil, remains in test; Ruffles B-B-Q is being repositioned as Ruffles Mesquite Grille B-B-Q (sweeter & hickory smoked flavored), and Ruffles Ranch went national this May. Ruffles received about $8.3 million in measured media in 1988, according to LNA/Arbitron. The line's overall budget is expected to expand to $12 million this year.

F-L continued to dominate the corn/tortilla chip market with a 73% share of the $1.607 billion (manufacturers value) market. Its Doritos and Fritos separately accounted for 40.4% and 20% of market, respectively. F-L grew 13.5% in dollars in the category from 1987 to 1988, according to *Snack Food*. Doritos drew $14.6 mil-

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lion in measured spending, F-L's largest outlay for any brand, according to LNA/Arbitron. Strong sales came from new flavor, Salsa Rio, which rolled national in 1988, and from Doritos Light varieties, Nacho Cheese and Cool Ranch, which were in 60% of the U.S. by year-end.

Its snack foods got an international boost in mid-1989 when PepsiCo acquired from France's BSN two British companies, Walkers Crisps and Smiths Crisps, for $1.35 billion. Both had been part of RJR Nabisco until bought by BSN in 1989.

PEPSICO INC.
Anderson Hill Rd.
Purchase, N.Y. 10577
(914) 253-2000

Corporate personnel: Roger A. Enrico, president-ceo; Alan Pattasch, sr vp-worldwide creative.

Pepsi-Cola USA

Corporate personnel: Craig E. Weatherup, president-coo; Michael Simpson, exec vp-mktg & natl sales; Michael Lorelli, president, Pepsi-Cola East; Ronald W. Tidmore, president, Pepsi-Cola South; Christopher A. Sinclair, president, Pepsi-Cola Central; Christopher M. Hallenbeck, president, Pepsi-Cola West.

Marketing personnel: Brenda Barnes, sr vp-sales & channel mktg; Judy Fearing, vp-cola mktg; Frank Rupp, vp-graphic arts; John Moorhead, vp-mktg svcs; Rick Rock, vp-media.

Brands/services by agency of record:

Pepsi-Cola
Diet Pepsi
Slice
Mountain Dew
Packaging & promo

Ad agency: BBDO, New York: William Katz, sr vp-mgmt super; Andy Russem, Jeff Mordos, Evelyn Owen, acct supers.

■

Domestic black adv

Ad agency: Lockhart & Pettus, New York: Keith E. Lockhart, president; Ron D. Harris, sr vp, dir-client svcs; Monica Hudson, asst acct exec.

■

Mug root beer

Ad agency: Lois Pitts Gershon Pon/GGK, New York: Mark Rothman, mgmt super; Andy Brief, acct super.

■

Domestic Hispanic adv

Ad agency: Siboney Advertising, New York: Carla Trum, vp-acct super.

■

Pepsi Cola Co. fountain beverages
Regional mktg & adv

Ad agency: Tracy-Locke, Dallas: Mike Rawlings, exec vp; Mark Lamperski, Bruce Orr, mgmt supers.

Time zaps Schlitz

Stroh's Schlitz beer, a Leader through 1982, outdueled even Budweiser in the '50s before its sales went flat.

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RANK
48

Pfizer Inc.

New York
ADVERTISING: $230.1 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,385	4,920	9.5
Earnings	791	690	14.6
■ U.S.	**1988**	**1987**	**% chg**
Sales	2,884	2,651	8.8
Operating income	685	635	7.9
■ Division sales	**1988**	**1987**	**% chg**
Health care	3,453	3,118	10.7
Agriculture	540	519	4.1
Specialty chemicals	512	514	(0.2)
Consumer	484	396	22.3
Materials science	396	374	6.0

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	24,525	21,287	15.2
Newsp supp	1,059	1,073	(1.3)
Newspaper	1,478	123	1,099.8
Outdoor	0	22	NA
Network TV	56,671	50,629	11.9
Spot TV	3,105	1,558	99.3
Synd TV	1,194	1,680	(29.0)
Network Cable	2,149	301	614.2
Network radio	23	0	NA
Spot radio	358	0	NA
Farm pub	1,590	1,558	2.1
Measured	92,152	78,231	17.8
Unmeasured	137,900	117,100	17.8
Total	230,052	195,331	17.8

Challenging times are ahead for Pfizer. Several patents on its most profitable drugs are expiring, a few of its consumer products have lost share points and the effectiveness of its Plax product has been brought into question.

And with many pharmaceutical companies being forced to merge, Pfizer's time may be nearing. Wertheim Schroeder & Co.'s Jonathan Gelles says Pfizer is not large enough to remain independent and be competitive.

Pfizer in 1988 finished acquiring for $200 million the 80% of Oral Research Laboratories it didn't already own. Oral produces Plax, a prebrushing rinse said to remove dental plaque. With $15 million in measured spending Pfizer pumped into the brand, Plax sales quickly leaped 170% in food stores to gain a 14.5% share of the $720 million mouthwash market, behind Warner-Lambert's Listerine's 26% share and Procter & Gamble's Scope's 23%.

Neil B. Sweig, a drug industry analyst for Prudential-Bache Securities, estimated 1988 brand sales at $105 million, with the brand on the way to the $150 million mark in 1989.

The bright prospects may have been dampened by an August cover story in *Consumer Reports* claiming Plax contains no chemical plaque fighter. It cites a "well-controlled study" that Pfizer maintained should be discounted because competitor Warner-Lambert financed the independent study. Pfizer already had changed labeling after the Council of Better Business Bureaus' National Advertising Division said the claim that Plax removes 300% more plaque than brushing alone lacked adequate substantiation.

Pfizer ad agency Ally & Gargano is readying a campaign to minimize the damage.

Ben-Gay lost a share point to 39% in 1988, a victim of encroaching competition, notes James Callandrillo, project manager-pharmaceuticals for Kline & Co., Fairfield, N.J.

About $2.5 million of the $5.4 million spent on the Ben-Gay line in 1988 was turned over to the Ben-Gay Warming Ice line extension, also designed to counter Bristol-Myers' Mineral Ice, which now commands a 10% share. Ben-Gay's measured media dipped to $5.3 million, down 4%.

Although Mr. Callandrillo estimated Pfizer Leeming/Pacquin division's Visine still holds 52% of the $120 million eyecare arena, the line has staged heavy retail promotions to deflect competition. Abbott Lab's Murine, Murine Plus and Clear Eyes combined have about a 25% share.

Leeming-Pacquin's Barbasol retained a 20% share of the $300 million shaving cream market and added Barbasol Gel in July 1988, thanks to the expiration of S.C. Johnson & Son's shaving gel patent. Barbasol drew only $1.1 million, same as 1987.

Backed with a $5.8 million budget, Coty's Ex'cla.ma'tion debuted in time for Christmas 1988. It was one of only a handful of new women's mass fragrances. Eckerd Drug's Karen Durham called it the year's best launch. It augments a strong arsenal of Coty fragrances including Stetson, Lady Stetson, Iron, Men's Musk, Emeraude and Sand & Sable.

Heaviest Coty media support was for Stetson, at $7.3 million, up almost 20% over 1987. Another $6.3 million backed Lady Stetson, a 24% drop from 1987, its introductory year. Stetson and Emeraude were withdrawn recently from Warwick Advertising and are currently in-house.

Overnight Success Cream, with $1.5 million in media spending, should get even more this year as others scurry to tap the mass-market skincare boom.

Minipress, an anti-hypertensive that brings in $259 million, lost its patent in June, and Feldene, with sales of $616 million, loses its patent in 1992.

Pfizer sold Equalactin, a combination constipation and diarrhea remedy that debuted in 1987 and had reached a 2% market share. Buyer was Numark Laboratories, Edison N.J.

The Roerig division continues to be at the forefront of advertising ethical products. It has a marketing-sales-ad budget of $75 million used primarily for cable TV healthcare programs.

Pfizer assigned Bozell, New York, the estimated $30 million account for Alitame, a high-intensity sweetener awaiting FDA approval.

PFIZER INC.
235 E. 42nd St.
New York, N.Y. 10017
(212) 573-2323

Corporate personnel: Edmund T. Pratt Jr., chmn-ceo; Gerald D. Laubach PhD., president.

Corporate media buying: Adforce Inc., New York: Robert J. Geller, president; John M. McAvity, vp-broadcast; Martin J. Gennusa, vp-media.

Pfizer Agricultural Products
New York

Corporate personnel: M.W. Roche, president; W.P. Crawford, exec vp.

Marketing personnel: R.A. Behrenhausen, vp-worldwide mktg & devel; G.H. Levy, P.O. Wilder, dirs-worldwide mktg.

U.S. Animal Health Operations
New York

Marketing personnel: Wid P. Crawford, exec vp; Robert N. Fountain, vp-mktg; Dale M. Perusse, vp-sales; Laura M. Devlin, Richard M. Kovalchick, group mktg mgrs; Richard G. Klein, group mgr-mktg rsch & svcs; C. Jan Westmoreland, dir-public affairs; John R. Klym, personnel dir.

Brands/services by agency of record:

Injectable antibiotics
Feed supplements
Anthelmintics

Ad agency: Dudnyk Co., Horsham, Pa.: Chuck Elkins, vp; Marilyn Cummins Heidemann, acct super; Greg Silvestri, Thomas Waller, acct execs; Art Yocom, dir-client svcs.

Pfizer Consumer Products
New York

Corporate personnel: J.F. Harmon, president.

Leeming/Pacquin Division
New York

Marketing personnel: R.L. Unger, vp-mktg; T.F. Coughlin, vp-sales; L. Bassen, vp-purchasing & packaging devel.

Brands/services by agency of record:

Pacquin
Unisom

Ad agency: Avrett, Free & Ginsberg, New York: Don Bandman, exec vp; Marlene Wheeler, acct super.

■

Visine
Visine A.C.
Rid

Ad agency: Backer Spielvogel Bates Worldwide, New York: Joe Prior, exec vp; Tom Blut, acct super; Mark Jones, acct exec.

■

Ben Gay
Barbasol
Plax

Ad agency: Ally & Gargano, New York: Jim Feeney, exec vp; Bob Taber, vp-acct dir.

Coty Division
New York

Marketing personnel: J.L. Abernathy, sr vp; J.T. Markowski, vp-mktg; J. MacDougald, vp-sales.

Brands/services by agency of record:

Lady Stetson
Iron
Overnight Success
Exclamation

Ad agency: Ketchum Advertising, New York: Pam Sarnoff, acct super; Sara Elman, asst acct exec.

Pfizer Chemical Products
New York

Corporate personnel: D.E. Kolowsky, president; D.F. Farley, exec vp.

Marketing personnel: P.J. Regan, vp-group sales; W.D. Reufer, vp-strategic planning; F.P. Chapman, vp-US sales; Vincent DeGennaro, dir-adv & promo.

Brands/services by agency of record:

Industrial chemicals

Ad agency: Poppe-Tyson, New York: William Giacalone, acct super.

Pfizer Pharmaceutical Products
New York

Corporate personnel: William C. Steere Jr., president; Peter G. Tombros, exec vp.

Pfizer Laboratories Division
New York

Marketing personnel: G.N. Jortner, exec vp, dir-operations; Dean Maglaris, vp-mktg; B.J. Robison, vp-sales; W.B. Surran, dir-mktg svcs.

Brands/services by agency of record:

Diabinese
Minizide

Ad agency: Cline Davis & Mann, New York: Jack Slonaker, vp-acct super.

■

Cetirizine
Feldene
Minipress
Minipress XL
Procardia
Procardia XL
Vistaril
Vibramycin
Managed Care

Ad agency: Dorritie & Lyons, New York: John Dorritie, president; Jim Stroup sr vp, dir-client svcs.

Roerig Division
New York

Marketing personnel: K.L. Katen, vp, dir-operations; Hank McCrorie, vp-sales; W.J. Canata, dir-sales & training; R.O. Fulmer, vp-mktg; Karen Dawes, group prod mgr; E.R. Frank, J.P. Kelly, sr prod mgrs.

Brands/services by agency of record:

Glucotrol
Sinequan
Unasyn
Branded clinical prods

Ad agency: Cline Davis & Mann, New York: Jack Slonaker, vp.

■

Antivert
Atarax
Cefobid
Cefobid/Sulbactam
Navane
Sertraline

Ad agency: Dorritie & Lyons, New York: John Dorritie, president.

Pfizer Hospital Products
New York

Corporate personnel: E.C. Bessey, president-ceo; Robert DiDomenico, vp-mktg planning; William Nazarewicz, vp, minerals; W.A. Wilkinson, vp, pigments, magnetics, iron oxide; J.C. O'Donoghue, president, Quigley Co.

Marketing personnel: T.R. Laakso, dir-sales & mktg, pigments, iron oxide; P.R. Saueracker, vp-sales & mktg, minerals; R.M. Galloway, vp-sales & mktg, Quigley Co.

Corporate media buying: Adforce Inc., New York: Robert J. Geller, president; John M. McAvity, vp-broadcast; Martin J. Gennusa, vp-media.

RANK
1

Philip Morris Cos.

New York
ADVERTISING: $2,058.2 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	31,742	28,183	12.6
Earnings	2,337	1,842	26.9
■ U.S.	**1988**	**1987**	**% chg**
Sales	20,866	18,715	11.5
Operating income	3,975	3,696	7.5
■ Division sales	**1988**	**1987**	**% chg**
Tobacco	16,586	14,644	13.3
Food	11,265	9,946	13.3
Beer	3,262	3,105	5.1
Financial svcs	629	488	28.9

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	270,251	271,178	(0.3)
Newsp supp	16,868	10,982	53.6
Newspaper	76,711	46,048	66.6
Outdoor	61,425	50,877	20.7
Network TV	388,602	376,628	3.2
Spot TV	157,578	176,159	(10.5)
Synd TV	88,592	64,200	38.0
Network Cable	23,075	21,024	9.8
Network radio	8,698	9,611	(9.5)
Spot radio	40,092	29,489	36.0
Farm pub	131	0	NA
Measured	1,132,023	1,056,195	7.2
Unmeasured	926,200	864,200	7.2
Total	2,058,223	1,920,395	7.2

Philip Morris Cos., which pushed past Procter & Gamble as the nation's leading advertiser in 1987, built onto its lead in 1988, largely through the $13.1 billion purchase of Kraft Inc., the 22nd largest national advertiser in 1987.

With Kraft came a marketing expertise that could help turn around General Food's ailing Post cereals and Maxwell House divisions.

PM merged its Kraft and General Foods units in February 1989, forming Kraft General Foods, and shifted the power base to Kraft's Glenview, Ill., headquarters over GF's Rye Brook, N.Y., home.

KGF was then carved up into seven operation units with combined sales of $22.5 billion, profits of $1.9 billion and some of the world's leading food brands. According to KGF, the combo spent $940 million in advertising and $760 million in promotion. Aside from these two giants, PM spent $282.1 million in media advertising on cigarettes, up 6.7% and $169.4 million on Miller Brewing's beer advertising, down 5.1%, according to LNA/Arbitron.

Heading the overall unit as president-COO is Kraft President-CEO Michael Miles; Kraft Chairman John Richman was named chairman-CEO until 1990, when Mr. Miles assumes the CEO post. A cross-fertilization that put GF managers at the helm of Kraft and Kraft managers in control of GF failed at the top as the newly named divisional presidents left by mid-1989. Former Kentucky Fried Chicken Corp. Chairman-CEO Richard Mayer, 49, is now president of GF USA and James Kilts, former Kraft USA senior VP-strategy and development, is the new Kraft USA president.

As a result of the restructuring, in April 1989, PM consolidated its network and cable TV buying assignment for KGF at D'Arcy Masius Benton & Bowles, New York. Previously, DMB&B had the buying assignment for GF and Foote, Cone & Belding, Chicago, handled Kraft. Grey Advertising retains buying for children's TV.

One of the big tasks at PM the past several years has been to shore up Maxwell House's sagging coffee fortunes. In 1988, Maxwell House, a unit of General Foods, had a 28% share to Procter & Gamble's Folgers 31.8% in the $2.6 billion regular coffee market, said John

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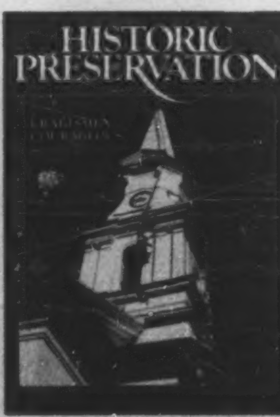

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Maxwell, Wheat First Securities analyst. Maxwell House lost the lead to Folgers in 1987, a year Maxwell House media budget was slashed by $17.5 million.

In 1988, GF began a coffee ad blitz, pumped $45 million into Maxwell House, according to LNA/Arbitron. An Ogilvy & Mather-created ad campaign began running in early 1989 featuring newscaster Linda Ellerbee and weatherman Willard Scott in a Maxwell House/Folgers taste test. It helped bring Maxwell House back into the No. 1 position as of June 1989. Despite the campaign's success, O&M lost the $50 million account to DMB&B in February.

GF also got good mileage from two new value-added brands, Maxwell House Rich French Roast and Maxwell House Colombian Supreme. Both are higher priced than regular Maxwell House.

PM expanded its leading position in the cigarette market by 1.5 share points to 39.3%, compared to R.J. Reynolds Tobacco's 31.8%, according to Mr. Maxwell. Led by the strength of Marlboro, the overall share increase was "PM's largest volume improvement in four years and the highest market share any cigarette company has achieved since 1931," Mr. Maxwell said. The Marlboro brand has nearly a 25% market share, up 1.3 share points from 1987. The Marlboro line drew $119.3 million in measured spending, up 18.4%. Merit drew a similar increase of 19.4% to $55.2 million as PM cut spending for Virginia Slims by 29.7% to $32 million, according to LNA/Arbitron.

PM in 1988 began trading on the Marlboro name with new entries. Marlboro Menthol that rolled out in 1989 and Marlboro Ultra Lights, went into test.

PM, which had largely stayed away from controversial new cigarette introductions such as RJR's Premier "smokeless" cigarette, did an about-face and began testing Next cigarette with trace amounts of nicotine in May 1989.

Responding to an upsurge in the price/value segment of the cigarette market, which gained 1.3 share points in 1988, according to Mr. Maxwell, PM repositioned Alpine, with an 0.1% overall market share in 1988, as a price/value entry. Price value cigarettes now account for 13.8% of the total cigarette market.

So far, the only product line to take advantage of the merging of Kraft and General Foods is GF's Culinova regionally-marketed refrigerated entree line currently in test. It has been folded into Kraft's Chillery line of salads, pastas and sauces, pizza kits, desserts and entrees, a brand also in test.

Kraft had just begun to focus solely on food with a corporate campaign themed, "Good food and good food ideas," at the time of the merger. It had sold, in May 1988, Duracell batteries to Kohlberg Kravis Roberts & Co. and then in September, sold Celestial Seasonings to a management-led group supported by Vestar Capital Partners.

Kraft introduced—and later pulled—Eating Right, a 14-item line of low-calorie frozen entrees. Assigned to HDM, Los Angeles, the product was said to have too upscale an image and too high a price. Kraft has yet to announce plans to reintroduce Eating Right.

Both Kraft and GF turned their attention to the $1 billion side dish market in 1988 as Kraft began testing packaged pasta, potato and rice side dishes in its signature blue box packaging, and General Foods started tests of Minute Microwave, flavored rice and noodle products packaged in microwaveable trays. The company also introduced regionally Ronzoni Classics, a dry packaged product with a sauce packet.

Kraft also launched a cholesterol-free mayonnaise to go up against CPC International's new Hellmann's Cholesterol-Free Mayonnaise which rolled national in early 1989.

GF rolled out two big-budget cereal products in 1989, Post Honey Bunches of Oats with a $27 million ad budget and a $20 million-plus campaign for Post Oat Flakes hoping to increase share by capitalizing on amazing growth of oat bran cereals. Oat bran cereals currently account for 20% of cold cereal sales; the overall cereal market is valued at $6.5 billion. Post cereals got $107 million in measured media, same as in 1987.

But unlike other oat bran cereal marketers, notably General Mills and Quaker, Post has carefully avoided health claims.

Still, GF will have to work hard to beat out other cereal players: Its 12% share trails Kellogg at 41.1% and General Mills' 21.3%, according to County NatWest analyst Timothy Ramey.

Despite a 1.2% decline in frozen novelty sales in 1988 to $1.75 billion, GF remained committed to the category, introducing three new products in 1989 that trade on established brand names: Jell-O Citrus Snowburst; Baker's Fudgetastics; Kool-Aid Kool Pops.

Fueled by the continuing "Wacky, Wild, Kool-Aid Style" campaign, Kool-Aid boosted its share of the $800 million powdered soft drink market to 82.2%, its first major share gain in more than a decade. No. 2 is Thomas J. Lipton's Wyler's. The Kool-Aid line received $17.3 million in media, up 97% from 1987, according to LNA/Arbitron.

The company's Oscar Mayer unit also instituted a new agency compensation system which reduces the basic commission rate to about 13.5% and includes bonus payments based upon the unit's sales and profit performance. Oscar Mayer and Louis Rich lines spent a combined $48 million in media, same as in 1987.

The company also posted major gains in the refrigerated desserts with Jell-O refrigerated puddings, the runaway leader in the $156.3 million refrigerated pudding category. GF holds about 50% of the category, which jumped 125% in sales in 1988, according to Arbitron/SAMI figures. Beatrice/Hunt Wesson is No. 2.

Miller Brewing Co. increased its overall share in the U.S. beer market to 21.6% from 21.0%, still a distant second to Anheuser-Busch's 41.9%. The brewer's big success was Miller Genuine Draft. Its market share grew to 1.9%, up from 1.2% in 1987, according to *Beverage Industry* magazine.

But Miller High Life did not do as well despite an increase of 14% in media spending to $90.5 million, according to LNA/Arbitron. High Life's share dropped from 5% to 4.5%. In November 1988, Miller moved the account from JWT, New York, to Burnett.

Miller is continuing to test line extensions of both Genuine Draft and Miller Lite, and the company is working on a more strategic focus in its advertising, including ads specifically geared to U.S. regions. Miller tested one such project in Texas in 1989.

PHILIP MORRIS COS.
120 Park Ave.
New York, N.Y 10017
(212) 880-5000

Philip Morris USA

Marketing personnel: David E.R. Dangoor, vp-mktg; Vincent J. Buccellato, vp-sales; Elizabeth Butson, vp-new prods; Edwin J. McQuigg, vp-planning; Ellen Merlo, vp-mktg svcs; David Beran, dir-mkt rsch & planning; Barbara A. Reuter, dir-planning; Richard L. Stirlen, dir-media; James Spector, dir-consumer promo; Louis Suwarna, dir, new prods; Michael Heinrich, dir, purchasing; Carolyn J. Levy, dir-consumer rsch; Leo McCullagh, dir-events promo; Nancy Brennan Lund, group dir, Marlboro; Robert Mikulay, group dir, price value; Brian H. Schuyler, group dir, Benson & Hedges, Virginia Slims; James A. Scully Jr., group dir, Merit, Parliament, Next; Timothy P. Beane, Barbara Weinstein, mgrs-mktg planning; Irene Y. Bick, mgr-direct mktg; Esther L. Fortner, mgr-special trade events; Roy K. Anise, mgr-mktg analysis; Celestia L. Kohl, mgr-events promo; Richard J. Camisa, brand mgr; J. David Mackey, brand mgr, Marlboro Red, Lights; Renee V. Simons, brand mgr, Benson & Hedges; Arthur J. Goldfarb, brand mgr, Alpine; Arthur J. Raporte, brand mgr, Cambridge; Susan Jannetta, brand mgr-new prods; Alex Aliksanyan, brand mgr, Parliament.

Brands/services by agency of record:

Parliament
New prods

Ad agency: Backer Spielvogel Bates Worldwide, New York: Ron Kraut, vp, dir-promo mktg group; Barbara Shapiro, acct super; Renee Natali, asst acct exec.

■

Marlboro
Merit
Virginia Slims
Next
New prods

Ad agency: Leo Burnett USA, Chicago: James Oates, exec vp-acct dir; Peter Volz, acct dir; Marie Paule-Lopez, acct exec.

■

Benson & Hedges

Ad agency: Wells, Rich, Greene, New York: Chris Lloyd, acct exec; Leslie Burrow, asst

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TNT Mailfast
International Mailing

acct exec, Lisa Patrick, acct super.

Kraft General Foods
White Plains, N.Y.

Marketing personnel: James J. Morgan, sr vp-corp mktg.

KGF Frozen Products Group
Glenview, Ill.

Marketing Personnel: Tom Herskovits, president, frozen prods group; William Dowd, president, diary group; W. Michael Goodwin, vp-mktg.

Brands/services by agency of record:

Birds-Eye
Breyer's

Ad agency: Young & Rubicam, New York: George Guimaraes, exec vp-group genl mgr.

■

Sealtest
Light 'n Lively
Breakstone
Frusen Gladje
Lender's

Ad agency: McCann-Erickson, New York: Dan Cohen, sr vp-group dir.

■

Tombstone pizza

Ad agency: Campbell-Mithun-Esty, Minneapolis: Donald Kvam, mgmt super.

■

All American Gourmet

Ad agency: Dilorio-Wergeles, New York: Frank Everett, sr vp, dir-client svcs.

Kraft USA
Glenview, Ill.

Marketing Personnel: Joel D. Weiner, sr vp-mktg svcs.

Brands/services by agency of record:

Kraft USA

Ad agency: Foote, Cone & Belding Communications, Chicago: Jim Cerasani, sr vp-group mgmt dir.

Grocery Products Group
Glenview, Ill.

Marketing Personnel: Charlie Martin, vp-mktg.

Brands/services by agency of record:

Miracle Whip
Meat enhancements
Versatile side dishes
Confections (carmel only)
Add Meats
Touch of Butter

Ad agency: Foote, Cone & Belding Communications, Chicago: Jim Cerasani, sr vp-group mgmt dir.

■

Mayonnaise
Fruit spreads

Ad agency: Young & Rubicam, New York: George Guimaraes, exec vp-group genl mgr.

■

Prod enhancement
Table spreads

Ad agency: Leo Burnett USA, Chicago: Sadru Patel, Carter Keith, acct supers.

■

Mini-Meals

Ad agency: Dilorio-Wergeles, New York: Frank Everett, sr vp, dir-client svcs.

Refrigerated Products Group
Glenview, Ill.

Marketing personnel: Mary Kay Haben, Bob Eckert, vps-mktg.

Brands/services by agency of record:

100% Natural
Velveeta Loaf
Velveeta slices
Cracker Barrel
Chillery
Crockery spreadable cheese snack

Ad agency: Leo Burnett USA, Chicago: Ted Simon, acct super.

■

Grated cheese
Handi Snacks

Ad agency: Foote, Cone & Belding Communications, Chicago: Jim Cerasani, sr vp-group mgmt dir.

■

Philadelphia Cream Cheese
Kraft singles
Nachos Now
Cheese Whiz

Ad agency: J. Walter Thompson USA, Chicago: Bob Ravafio, acct super.

■

Knudsen
Cheese sauce

Ad agency: Grey Advertising, Los Angeles: Larry Varnes, exec vp, dir-client svcs.

■

Polly-O cheeses

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Ad agency: Young & Rubicam, New York: Richard Kahn, mgmt super.

Kraft General Foods
Commerical Products
Deerfield, Ill.

Marketing personnel: George Goebeler, president, commerical prods; Rick Avery, president, Kraft Food Ingredients Group, Memphis.

General Foods USA
White Plains, N.Y.

Corporate personnel: Richard P. Mayer, president.

Marketing personnel: William H. Korab, exec vp-mktg & sales; David F. Hurwitt, vp-mktg & comm svcs; David K. Braun, dir-media & promo svcs; Richard S. Helstein, dir-adv svcs; Gregory B. Murphy, president-ceo, General Foods Bakery Cos.; David Collins, exec vp, Entenmann's; Kurt Wissehr, president, Freihofers; Douglas A. Smith, group vp, beverages; John D. Bowlin, group vp, dinners & enhancers; Ann M. Fudge, dir-mktg, dinners & enhancers; Stephen I. Sadove, group vp, desserts; Dana M. Gioia, mktg mgr, desserts; John D. Watson, vp-genl mgr, refrigerated desserts; Sylvester T. Hinkes, group vp, Post cereals; Richard G. Powers, dir-mktg, Post; Raymond G. Viault, president, Maxwell House; Robert J. Pizzuti, dir-sales & mktg, Maxwell House; Alan R. Plassche, president, food service prods.

Brands/services by agency of record:

Entenmann's
Crystal Light
Crystal Light frozen novelties
Cool Whip
Good Seasons
Maxwell House
Master Blend
Yuban
Brim
Private Collection

Ad agency: D'Arcy Masius Benton & Bowles, New York: Peter Rosow, sr vp-deputy mng dir; Tim Love, sr vp-group acct dir; Allen Adamson, Carla Gambescia, Courtney Stimson, vps-acct dirs.

■

Post Raisin Bran
Grape-Nuts
Grape-Nuts Flakes
Honeycombs
Fruit & Fibre
Post Bran Flakes
Post Oat Flakes
Crispy Critters
Minute Rice
Stove Top
Impromptu
Kool-Aid
Kool-Aid Koolers
Baker's Chocolate/Coconut
D-Zerta
Dream Whip

Ad agency: Grey Advertising, New York: Jack Frantz, exec vp; Carolyn Carter, Jerry Zaret, sr vps-mgmt supers; Carol Herman, vp-mgmt super.

■

Pebbles
Super Golden Crisp
Alpha Bits
Country Time Tang
Tang Fruit Box
Log Cabin Syrup
Shake 'n Bake

Ad agency: Ogilvy & Mather, New York: Richard Roth, sr vp-group acct dir; Robert Hay, James Bell, vps-acct dirs.

■

Jell-O
Sanka
General Foods Intl Coffees

Ad agency: Young & Rubicam, New York: George Guimareas, exec vp-group genl mgr; John Glorieux, exec vp-group genl mgr; Larry Shapiro, exec vp-worldwide acct dir; Daryl Elliot, vp-group dir, mgmt super.

■

Food service
Desserts
Cold beverages

Ad agency: Cato Johnson/Y&R, New York: Wendy Forman, vp-mgmt super.

Miller Brewing Co.
Milwaukee

Marketing personnel: Robert A. Toledo, vp-brand promo; William H. Barrett, merch svcs dir; Jerome F. Schmutte, dir-strategic planning; E.J. (Woody) Euart, dir-mktg promo; Scott C. Steward, premium category dir; Tom Greak, low calorie category dir; David A. Krishock, new prods category dir; Rick Burton, dir-adv, Lite; Tom Cardella, brand mgr, Genuine Draft; Jeff Schouten, brand mgr, Miller High Life; Kevin Tripp, brand mgr, Genuine Draft Light.

Brands/services by agency of record:

Miller Lite
Geniune Draft
Miller High Life

Ad agency: Backer Spielvogel Bates Worldwide, New York: Frank Assumma, exec vp. Miller Lite: Liz Nenadich, Michael Stoner, Paul Steiner, acct execs; Brian O'Brien, asst acct exec; Lisa Marber, acct coord. Genuine Draft: Laura Sawyer, Roberto Sacco, acct execs; Lisa Golden, Chip Telerico, asst acct execs; Andrew Rider, super; Tom Cotton, mgmt rep. Miller High Life: Steve McCal, asst acct exec; Roberto Calderin, mgmt rep.

■

Genuine Draft Lite
Miller High Life

Ad agency: Leo Burnett USA, Chicago: Charles von Weise, acct exec; Steve Fauntleroy, assist acct exec. Miller High Life: Brian Goldner, acct exec; Colin Hall, assist acct exec. Corp adv: John Kovos, Mike O'Neal, acct dirs.

■

Hispanic adv-
Miller Lite
Miller High Life
Lite Genuine Draft
Lowenbrau

Ad agency: Mendoza, Dillon & Asociados, Newport Beach, Calif.: Luis Castaneda, acct exec; Marta Perez-Gerdes, acct exec, vp-client svcs.

■

Matilda Bay
Lowenbrau

Ad agency: J. Walter Thompson USA, New York: Matilda Bay: Gary Steele, acct dir; Laura Ceshire, acct super. Lowenbrau: Bob Hall, vp-acct dir; Michael Kahn, acct super; John Malkin, acct rep.

■

Black adv-
Miller High Life
Genuine Draft

Ad agency: Mingo Jones Advertising, New York: Bill McGugins, vp-acct mgmt. Miller High Life, Genuine Draft: Marc Strechan, acct dir; Cliff Ruffins, acct super. Corp adv: Andrea Fant, acct exec.

Oscar Mayer Foods
Madison, Wisc.

Corporate personnel: J.W. McVey, president-ceo.

Brands/services by agency of record:

Oscar Mayer meats

Ad agency: J. Walter Thompson USA, Chicago: Stephen G. Bowen Jr., president.

■

Louis Rich meats

Ad agency: D'Arcy Masius Benton & Bowles, New York: Thomas H. Cary, mng dir.

RANK
68

Philips NV

Eindhoven, The Netherlands
ADVERTISING: $144.3 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	28,040	29,782	(5.9)
Earnings	528	462	14.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	5,424	5,050	7.2
Operating income	79	(31)	(358.5)
■ Division sales*	**1988**	**1987**	**% chg**
Lighting	3,487	3,705	(5.9)
Consumer electronics	9,245	9,468	(2.6)
Domestic appliances	3,384	3,578	(5.4)
Professional prods	7,680	8,279	(7.2)
Components	5,600	6,106	(8.3)
Miscellaneous	698	1,105	(8.3)

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	12,592	9,445	33.3
Newsp supp	909	166	447.6
Newspaper	1,533	373	311.6
Outdoor	18	4	381.6
Network TV	51,266	34,100	50.3
Spot TV	2,008	2,618	(23.3)
Synd TV	0	203	NA
Network Cable	1,283	1,723	(25.5)
Network radio	2,301	386	495.9
Spot radio	0	33	NA
Measured	71,911	49,051	46.6
Unmeasured	72,400	49,400	46.6
Total	144,311	98,451	46.6

■ *Includes inter-company sales.

Philips NV, the European electronic giant, moved to greatly expand its presence and visibility in the U.S. in 1988.

The company, best known in the U.S. for marketing consumer products under such names as Norelco, Magnavox, Philco and Sylvania audio and video products, expanded marketing and advertising of products under its own name. Most notable so far are pushes for lightbulbs and upper-end consumer electronics gear.

Marketing under the Philips name should give a product expanded visibility because of Philips' worldwide presence, and will offer marketing efficiencies, including linking such products as Philips light bulbs and Philips TVs in ads.

Philips has so far killed off few of its American brand names. Only when it bought Westinghouse Lighting in 1983 did it follow (in 1986) with elimination of a brand name. Instead Philips has introduced its name on new products or new lines of existing products, some developed originally for Europe.

The increasing importance of the U.S. to Philips has been stated repeatedly by company officers who may see the U.S. market as an answer to increasingly competitive pressures 1992 will bring to Europe. Also, the U.S. market accounts for 40% to 50% of the world's consumer electronics sales.

Currently, North American Philips (NAP) represents $5.9 billion or about 20% of worldwide Philips NV revenues. Philips wants NAP to achieve the same 30%-to-50% market shares in the U.S. that Philips has in Europe.

In the last year, Philips, which in 1987 acquired the 42% part of North American Philips Corp. it didn't already own, has moved to more fully integrate its U.S. activities into its worldwide product and marketing mix. Its U.S. product divisions now work more directly with those in Europe in planning new products and production, although advertising still remains largely autonomous.

New products designed in the U.S. have been exported to Europe and vice versa.

Philips policies have shown some signs of success in the U.S. Backed by aggressive ad spending on its Magnavox line of TVs using the Smothers Brothers as ad spokesmen, Philips saw market share of color TVs rise to 10.7% from 9.5% in the last year, according to *Television Digest*. It also has begun pushing its line of CD players, a product it invented, and filled out the Philips line of upper end TVs.

In lighting, where Philips Lighting media ad budget jumped more than 25% to over $12 million, it introduced a line of pastel lights that offer a hint of color to expand its No. 2 share of 18% in the U.S. lightbulb market.

In small appliances, Norelco Consumer Products Co. has seen its share of men's electric razors sales rise to 50% from 48%, and its share of ladies' shavers to 35% from 25% from 1987 to 1988. Media advertising grew more than 60% to $17 million. Its CleanAir filtering machines have risen to 35% of the market, up from 30% to 32%.

Norelco this fall will increase advertising for men's razors, kick off its first national advertising for women's electric shavers and introduce a line of EZ Irons offering better steam control, also with heavy advertising. Norelco says ad spending this year may double 1988 outlays.

Philips moved to expand its presence in the U.S. home computer market in 1988 by acquiring Vendex Technologies, a maker of personal computers under the HeadStart brand, from Vendex International. Renamed HeadStart Technologies, the company this fall introduces the Explorer line of computers, which will sell for $599 and get hefty ad support. Philips Consumer Electronics lone entry in the field had been the Magnavox word processors.

Philips now markets in virtually every major consumer electronics product category in the U.S. except for facsimile machines and cellular phones. Both of those lines may come in the next year.

With its attention increasingly directed toward consumer electronics, Philips split off unrelated businesses. Most went to another NAP division, Consolidated Electronics Industries Corp., headed by former NAP Chairman-CEO Cees Bruynes.

Unstated in that move is Philips' apparent desire to sell off those businesses. One, the Selmer Co., which makes musical instruments, already has been sold, and Philips has announced it has hired an investment banker to evaluate the sale of Magnavox Government and Industrial Electronics Co. The fate of the two remaining consumer businesses in the subsidiary, Anchor Brush Co, which makes toothbrushes, and Genie Co., which makes garage doors and shop vacuum cleaners, remains uncertain.

Philips also participates in a number of joint ventures in the U.S. and is 90% owner of Polygram records.

PHILIPS N.V.
Gloeilampenfabrieken
5621 BA Eindhoven
The Netherlands

North American Philips Corp.
100 E. 42nd St.
New York, N.Y. 10017
(212) 697-3600

Corporate personnel: Einar Koster, president-ceo.

Philips Consumer Electronics division
Knoxville, Tenn.

Corporate personnel: Donald F. Johnstone, president.

Marketing personnel: Mike Kerl, dir-adv; Rick Policicchio, vp-genl mgr. Philips, Sylvania brands; Bill Ulevicz, vp, Magnavox brands.

Brands/services by agency of record:

Magnavox
Philips
Sylvania
Philco

Ad agency: Backer Spielvogel Bates Worldwide, New York: Charles Decker, exec vp; Randall Windschitl, mng rep; Robert Rizzuto, David Watson, acct supers.

Norelco Consumer Products Co. Division
Stamford, Conn.

Marketing personnel: John Beggs, president; Pat Dinley, vp-sales; Hal Rosenbaum, dir-mkt rsch; Leigh Alexander, sr mktg mgr, razors; Ed Crawford, mktg mgr, garment care; Bill Kelso, mktg mgr, kitchen appliances; A.J. Riedel, mktg mgr, clean air machines & new business.

Brands/services by agency of record:

Norelco

Ad agency: D'Arcy Masius Benton & Bowles, New York: Stuart Pearlman, acct super; Regina Reilly, acct exec.

Philips Lighting Corp. division
Somerset, N.J.

Marketing personnel: Dick Capra, president; Mark Frissiora, dir-consumer mktg; DeVerges Jones, dir-mktg svcs.

Brands/services by agency of record:

Philips

Ad agency: Cliff Freeman & Partners, New York: Richard Pounder, exec vp-exec mng dir; Joseph McCarthy, sr vp-mng super; Katherine Giffault, vp-acct super.

HeadStart Technologies Co. division
Great Neck, N.Y.

Marketing personnel: Harry Fox, president; David Klein, vp-mktg & sales.

Brands/services by agency of record:

HeadStart computers

Ad agency: Target Enterprises, Los Angeles: David Bienstock, president.

Genie Manufacturing Division
Akron, Ohio

Marketing personnel: John Gray, president; Bennett Rubin, dir-mktg; Mike Fox, mgr-adv; Mark Caffee, mgr-mktg.

Brands/services by agency of record:

Genie

Ad agency: Hesselbart & Mitten, Fairlawn, Ohio: Jim McEntire, vp-acct super.

PolyGram Records Corp.
New York

Marketing personnel: Jim Urie, sr vp-mktg; Pat Drosins, vp-adv.

Brands/services by agency of record:

Polygram
Mercury
Verve
Deutsche Grammophon
London
Philips

Ad agency: (In-house): Phonaa: Sylvia Chandler, mgr-merch svcs & adv; Michelle Smith, mgr-adv svcs.

RANK
2

Procter & Gamble Co.

Cincinnati
ADVERTISING: $1,506.9 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	21,398	19,336	10.7
Earnings	1,206	1,020	18.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	11,805	12,423	(5.0)
Operating income	329	864	(61.9)
■ Division sales	**1988**	**1987**	**% chg**
Laundry & cleaning	7,138	6,668	7.0
Personal care	1,032	8,676	(88.1)
Food & beverage	3,029	2,963	2.2
Pulp & chemicals	3,029	2,963	2.2

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	79,279	79,501	(0.3)
Newsp supp	1,384	2,182	(36.6)
Newspaper	21,977	4,243	418.0
Outdoor	682	842	(19.0)
Network TV	370,175	377,552	(2.0)
Spot TV	222,883	238,049	(6.4)
Synd TV	60,899	48,910	24.5
Network Cable	30,202	23,713	27.4
Network radio	25,534	23,665	7.9
Spot radio	15,777	7,906	99.6
Measured	828,791	806,562	2.8
Unmeasured	678,100	659,900	2.8
Total	1,506,891	1,466,462	2.8

Procter & Gamble Co. in 1988 followed the industry trend of introducing less expensive and less risky line-extensions instead of major new products. At the same time, P&G's sales increased 11% and its ad and promotional spending rose 15.4%.

"Other than the prospect of a significant restaging of Pampers in the U.S. due to lackluster market-share, there may be little major incremental advertising or new product activity in the next year to 18 months," said Jack Salzman, household-products analyst with Goldman Sachs & Co., New York.

Most of P&G's momentum is coming

from abroad, where sales accounted for 40% of the total and will represent 50% within five years, the company said.

P&G forged a number of international agreements. It linked with STC Corp. to sell products in Korea; bought a majority interest in Nelsen S.p.A., a liquid detergent company in Gattatico, Italy; acquired a controlling interest in Perfumeria Phebo S.A., a Sao Paulo, Brazil, cleaning and personal-care products company; formed joint ventures with Industrias Mammi, C.A., a personal care products company in Caracas, Venezuela, and with Hutchison Whampoa Ltd., Hong Kong, to manufacture and distribute products in China through the Guangzhou Soap Factory.

P&G continued its drive to build its food and beverage division by acquiring in March 1989 the Sundor Group, the sixth-largest U.S. maker of citrus and other fruit beverages, including Sunny Delight Florida Citrus Punch, Speas Farm apple juice and Texun pink grapefruit juice. P&G in late July 1989 agreed to buy the Fisher Nut business from Beatrice Foods, which will enable P&G to build on its Jif peanut butter and salted snack businesses.

P&G also sold Crush International (Crush, Hires, Sun-drop, Gini brands) soft-drink division to Cadbury Schweppes PLC for $220 million. Under the P&G banner, Crush never made much of an impact in the soft-drink category.

The company in early 1989 implemented a category management system at subsidiary Richardson-Vicks. The OTC drug and personal-care unit is the last group at P&G to shift from the product brand-management system that characterized the company from 1931 to 1987. Brands handled by R-V were divided into three categories: cough-cold, personal care/skincare and analgesics. The category management system groups all brands and products in a particular category under the direction of one general manager.

P&G also reinforced its desire to get better media choices and creative work out of its agencies by instituting a new compensation plan that rewards agencies' creativity and media choices.

The new compensation system, implemented companywide in July 1989, keeps the 15% commission rate on traditional media and adds a fee payment for new-product work. The 15% also will be paid for creative work done for promotional vehicles and for ads in alternative media. The company is turning increasingly to non-traditional media—from posters in schools and doctor's offices to ads on prerecorded videocassettes to P&G-sponsored sporting events.

In December 1988, P&G shifted three OTC drug brands to D'Arcy Masius Benton & Bowles—Percogesic, Dramamine and Icy Hot, worth an estimated $6 million in billings—from Slater Hanft Martin. DMB&B in the late 1980s has emerged as P&G's premier OTC-drug agency.

In April 1989, Tatham-Laird & Kudner, Chicago, got Vicks Throat drops from DMB&B and Chloraseptic sore-throat spray from Leo Burnett USA. Tatham-Laird, one of the smaller agencies on P&G's roster, is responsible for Metamucil, a psyllium-based laxative that P&G hopes eventually to market as a cholesterol-reducing aid. P&G in April 1989 began a new ad campaign that compared the fiber in Metamucil with that of oat bran. The laxative commands more than half of the $300 million bulk-fiber laxative market. Measured media spending behind Metamucil rose 34% to $12.7 million.

The company this August moved Top Job household cleaner to Jordan, McGrath, Case & Taylor from Saatchi & Saatchi Advertising, both New York. Top Job, which has a 2% share of the $1 billion household-cleaner category, received nominal media support.

Following public concern over palm oil in food products, P&G in January 1989 removed palm oil from Crisco shortening. Crisco in 1988 was backed with $5.7 million in measured media spending, a 52.4% drop from 1987.

In the $916 million cooking-oil market, P&G's Crisco and Puritan hold a combined 24% share. Puritan, made of canola (rapeseed) grain, in 1989 won endorsement from the American College of Nutrition for the lowest saturated fat. The ACN endorsement began appearing in mid-summer on Puritan labels and in Puritan's $4.4 million ad campaign.

Having gained a toehold in the potato chip segment with Pringle's, P&G now intends to eat away at Frito-Lay's dominance in corn chips with the mid-1989 national launch of Pringle's Corn Crisps, which are stacked in canisters like its potato chips. Pringles has a 75% share of the $300 million canister segment.

Activity in P&G's Duncan Hines line, the No. 2 baking-mix line in the U.S. behind General Mills, was limited to the March 1989 introduction of two oat-bran muffin mixes and advertising for the Duncan Hines Tiara Desserts line. Measured spending declined 27% to $13 million in 1988.

After acquiring the Sundor family of citrus fruit beverages, P&G in June 1989 introduced nationally Citrus Hill Lite Premium chilled juice beverage. Citrus Hill was backed with $20.5 million in measured spending, up 19%.

With coffee consumption continuing to decline, P&G spent $65 million on Folgers to hold a 30% share in the $2.8 billion ground coffee segment, according to Kidder, Peabody & Co., New York.

P&G rolled out a Folgers "fast-roast" blend. Fast-roasting "fluffs" beans to the point where 13 ounces by weight equals 16 ounces by volume. The company is testing a non-100% Colombian coffee named Folgers Gourmet Supreme to compete against General Foods' Maxwell House Colombian Supreme.

In April, the Folgers account was consolidated at N W Ayer, New York, as P&G moved Gourmet Supreme from Wells, Rich, Greene, New York.

P&G backed its Crest toothpaste line with $32 million in measured media, a 20% decline. Spending behind Sparkle Crest for Kids climbed 22% to $9.7 million to counter Colgate-Palmolive's $9 million introduction of Colgate Junior toothpaste and toothbrushes. C-P pulled within striking distance of P&G's position as leader of the $1 billion toothpaste category; Crest holds a 36% share to Colgate's 33%.

P&G's Downy fabric-softener got added category support with the introduction of SunRinse Fresh Downy liquid fabric softener, Downy dryer sheets and Bounce with Staingard. P&G commands 60% of the $725 million category. Downy's spending in media more than doubled to $40.7 million. Bounce drew $18 million, up 16%.

P&G remains the leader in the $3 billion laundry detergent category with a 51% share. In January 1989 P&G nationally expanded Tide With Bleach. P&G, which increased Tide media spending 27% to $25.4 million, introduced the version primarily to counter Clorox Co.'s steady expansion of bleach-enriched Clorox detergent. P&G discontinued market test of Lemon Fresh Comet liquid bleach.

In late 1988, P&G began testing Cheer Free, a detergent with no dyes or perfumes for people with sensitive skin. Cheer ad spending rose 25% to $12.2 million.

In the $475 million automatic dishwasher detergent category, P&G's Cascade powder was upgraded to increase solubility. Cascade, with a 52% share of category, was supported with $13 million in media spending, down 22%.

P&G's share of the $650 light-duty dishwashing detergent category fell 1.5 points to 50.5%, although its Dawn remained market leader with a 23% share. Measured spending remained steady at $9 million.

P&G in October introduced nationally Luvs Deluxe disposable diapers designed differently for boys and girls. The diapers, backed with $15 million in ad spending, pushed Luvs' share of the $3.5 billion category to 20%. At the same time, P&G began testing Luvs Deluxe prints for boys and girls. P&G's share of the category dropped 5.5 points to 49.5% due to declining sales of Ultra Pampers. Archrival Kimberly-Clark Corp.'s Huggies has built a strong 33.5% share.

P&G supported Ultra Pampers with $18

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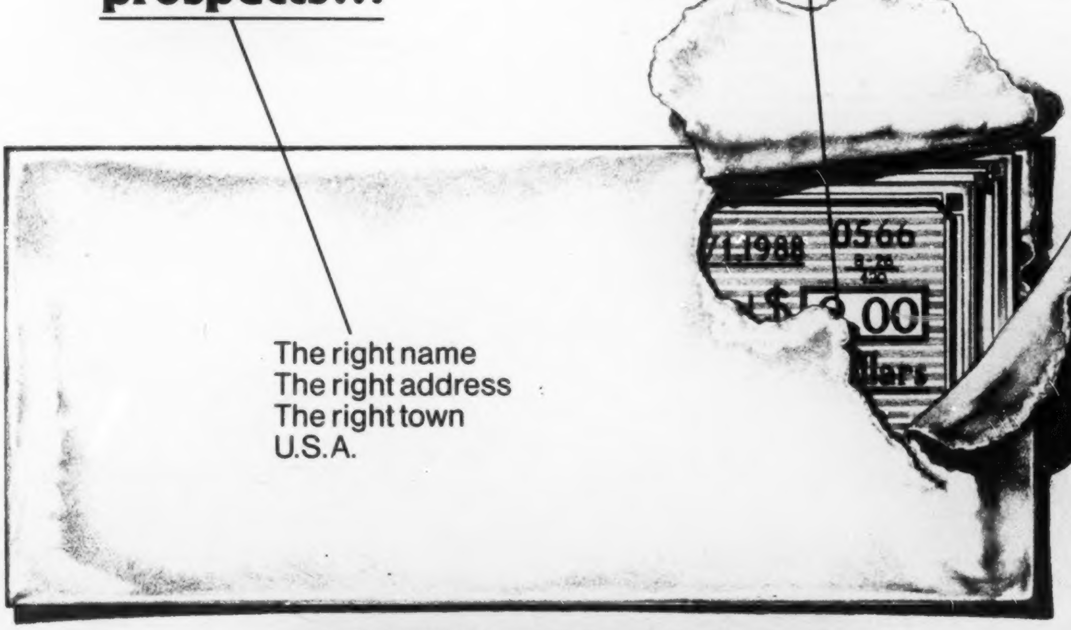

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With the Response TargetChek system, your message slides through the mailslot of the consumers most likely to buy. That's because the Response TargetChek system is a direct marketing tool that is also the basis for building a highly accurate database.

We start with an in-depth marketing analysis to ensure that your very first mailing is targeted to the right audience. Then, with customer data you collect from each mailing, you can drive follow-up mailings and cross sell with pinpoint accuracy.

The check is in the mail; consumers are in the store.
There is nothing like cash to put people in the mood to buy. The Response TargetChek system includes an actual bank check that is highly effective at cutting through coupon clutter. What's more, a check has a higher perceived value than a coupon for a few cents off.

Designed to sell.
Every component of a Response TargetChek mailing is customized to your market and message. Response Graphics' state-of-the-art technology allows you to personalize your mailing and vary the color, size and graphics. Best of all, you can use the check as a questionnaire to elicit valuable data from consumers upon redemption.

Quick redemption is a redeeming value.
On the retail level, the Response TargetChek system moves cash as fast as it moves products. Retailers get immediate cash redemption through the banking system, rather than waiting months for coupons to pay off through a clearing house.

Honest-to-goodness redemption.
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Find out how the Response TargetChek system can help you capture a larger share of market by consistently targeting the right buyers.

RESPONSE GRAPHICS

A DIVISION OF MOORE
1113 South Milwaukee Avenue
Libertyville, Illinois 60048
1-800-722-9001
312-680-0111 (in Illinois)

million in measured media, down 34%, while Luvs got $17.4 million, down 14%. P&G in June announced it will fund projects to recycle the plastic from disposable diapers.

P&G's Always feminine-protection line received $10.7 million in measured spending, a 38.5% drop. P&G in July 1989 introduced nationally Always Double Plus, two-pad protection in one. Despite heavy promotional spending, Always maintained its 25.2% share of the $1.2 billion sanitary napkin category. Johnson & Johnson is the category leader at 35%.

P&G added two new White Cloud varieties—fragrance-free and spring breeze scent—to its bathroom tissue line and began testing Charmin Care with baby lotion. P&G also markets Charmin Free, a bathroom tissue without ink, dye or perfume. P&G has a 30.5% share of the $2.3 billion category, up 4 points from 1987. Measured spending behind White Cloud climbed 15% to $5.8 million.

P&G increased measured spending 78% to $6.8 million for Bounty paper towels, the leading brand in the $1.5 billion category.

P&G commands a 32.5% share of the $925 million shampoo category, with Head & Shoulders category leader with a 10.5% share. P&G, backing the brand with $20 million in media in 1988, introduced Head & Shoulders Dry Scalp shampoo this month. It also introduced Ivory Free shampoo and conditioner, which contains neither perfume nor dye. Ivory got $6.8 million in measured media in 1988, a 31% increase.

P&G in 1988 launched a new wide solid for both its Sure and Secret antiperspirant/deodorant brands, and redesigned Secret's packaging to increase its appeal to women. P&G commands 26% of the $1.05 billion category. Secret's spending jumped 59% to $19 million, and spending for Sure rose 31% to $17.9 million.

Under new owner P&G, the upscale Bain de Soleil suncare line moved up to a 6.8% share of the $415 million food-store suntan lotion market from 2.6% in 1987. Measured spending behind Bain de Soleil rose from $1.7 million to $5.2 million, reflecting the brand's expanded distribution. P&G also added high SPF protection products to the line under the Protecteur Gentil label.

P&G in 1989 added two items to its Oil of Olay brand: Sensitive Skin Beauty Fluid and Intensive Moisture Complex. Oil of Olay, backed with $32.5 million in media, up 19%, is the leading mass-market facial lotion with a 28% share of the $640 million market at retail.

Spending behind P&G's Pepto-Bismol stomach remedy rose 35% to $27 million, with some of the increase earmarked for the national introduction of Maximum Strength Pepto-Bismol. The brand commands 18% of the $360 million antacid category, leading Beecham Products' Tums' 13%.

Vicks cough-cold remedies received $18.6 million in measured media, up 2%. Nyquil is the leading remedy with a 12% share of the $1.4 billion category for cough, cold and sinus remedies.

In June 1989, P&G announced the retirement of Thomas Laco, vice chairman. Robert E. Cannon was elected senior VP, from group VP, assuming Mr. Laco's worldwide responsibility for the company's quality programs. Gerald V. Dirvin was elected senior VP from group VP, assuming responsibility for most of the company's staff functions—including advertising, marketing services and public affairs—from Mr. Laco.

PROCTER & GAMBLE CO.
P.O. Box 599
Cincinnati, Ohio 45201
(513) 983-1100

Marketing personnel: J.E. Pepper, president; G.F. Brunner, R.E. Cannon, G.V. Dirvin, J.W. Nethercott, D.S. Swanson, Harold Tecklenburg, sr vps; W.C. Borndt, S.P. Donovan Jr., Harold Einsmann, B.J. Hintz, D.I. Jager, M. Jozoff, R.R. Nicolosi, W.N. Zagi, group vps; P. McHenry, sr vp, genl counsel; W.I. Bergman, vp, Richardson-Vicks div; R.T. Blanchard, vp-worldwide strategic planning, health & beauty care; B.L. Byrnes, vp-packaged soap & detergent div; D.W. Campbell, vp-food service & lodging prods div; C.C. Carroll, vp-business devel, health & beauty care; W.B. Connell, vp, beauty care div, C.H. Davis, vp, food prods div; J.K. Goodwin, vp-sales; R.J. Herbold, vp, info svcs; C.A. Lieppe, vp, edible oils div; L. Ross Love, vp-adv; L.D. Milligan, vp-sales, customer devel & intl; T.A. Moore, vp, health & personal care div; R.L. Wehling, vp-mktg svcs.

Brands/services by agency of record:

Bold
Cheer
Era Plus
Gleem
Lava liquid & bar soaps
Lilt home permanent
Luvs disposable diapers
Secret
Pert Plus
White Cloud
Pepto-Bismol
Prell shampoo & conditioner
Ad agency: Leo Burnett USA, Chicago: Mary Bishop, exec vp.

■

Black adv—Crest
& Crisco shortening
Ad agency: Burrell Advertising, Chicago: Linda Pharr, sr vp-mgmt super; Fay Ferguson, vp-acct super.

■

Vicks Formula 44
Clearasil
Dramamine
Fasteeth
Fixodent
Icy Hot
Nyquil
Percogesic
Vaporub
Sinex
Dawn
Ivory Snow
Dash
Bounce
Crest
Scope
Always
Attends
Charmin
Pampers
Ad agency: D'Arcy Masius Benton & Bowles, N.Y.: Thomas Carey, mng dir.

■

Ivory shampoo & conditioner
Wondra lotion
Ad agency: D'Arcy Masius Benton & Bowles, St. Louis: Clayton Wilhite, mng dir.

■

Professional adv for—
Attends
Crest
Crest rinses
Head & Shoulders
Peridex
Pepto-Bismol
Puffs Plus
Safeguard
Pampers
Norwich
Ivory Snow
Ad agency: Medicus Intercon, New York: Lawrence Lesser, chmn.

■

Downy liquid & dryer sheets
Joy
Crisco & Crisco cooking oil
Jif
Puritan cooking oil
Pantene haircare line
Ad agency: Grey Advertising, New York: Neil Kreisberg, Clark Montgomery, exec vps.

■

Bounty
Top Job
Zest
Ad agency: Jordan, McGrath, Case & Taylor, New York: Alice Bond, sr vp-acct svcs.

■

Professional adv for—
Folgers coffee
Ivory soap
Ad agency: Klemtner Advertising, New York: Robert C. Erwin, vp-acct super.

■

Denquel
Peridex Pediatric Formula 44
Ad agency: Lally, McFarland & Pantello, New York: Ron Pantello, president.

■

Cleaning prods for food service
Coin vending
Ad agency: Ketchum/Mandabach & Simms, Chicago: Lee Lippman, president-coo.

■

Folgers coffees
Puffs Plus
Citrus Hill Select
Citrus Hill Plus Calcium
Lite Citrus Hill
Duncan Hines Baking Mix line
Ad agency: N W Ayer, New York: Warren E. Albright, exec vp.

■

Food service & lodging prods—
Shortening oils, coffee, bar soap & amenities
Ad agency: Northlich Stolley Lawarre, Cincinnati: John Bloomstrom, acct super.

■

Vidal Sassoon shampoos,
conditioners, rinses,
styling aids
Ad agency: Peter Rogers Associates, New York: Peter Rogers, president.

■

Bain de Soleil suncare line
Ad agency: Rosenfeld, Sirowitz, Humphrey & Strauss, New York: Shannon Eadom, acct super.

■

Tide
Tide Liquid
Tide with Bleach
Tide Unscented
Cascade
Camay
Comet
Dreft
Ivory liquid & bar soap
Oxydol
Solo
Industrial, chemical, grocery, trade,
drug trade & military trade adv
Ad agency: Saatchi & Saatchi Advertising, New York: Paula Forman, exec vp-exec mgmt dir.

■

Biz
Chloraseptic
Comet liquid bleach
Head & Shoulders
Metamucil
Vicks Throat Drops
Ad agency: Tatham-Laird & Kudner, Chicago: Robert Hielscher, sr partner, dir-client svcs.

■

Oil of Olay
Pringle's
Safeguard
Sure
Spic and Span
Gain
Banner bathroom tissue & paper towels
Spic and Span Pine
Ad agency: Wells, Rich, Greene, New York: Richard Hopple, president-worldwide.

■

Trade adv—
Beauty care div
Ad agency: Haddon Advertising, Chicago: Harvey Haddon, president.

■

Sundor Group
Sunny Delight
Ad agency: Gumpertz/Bentley/Fried, Los Angeles: Richard Fried, president-mgmt super.

■

Fisher Nut
Ad agency: Ketchum Advertising, San Francisco: Ken Dudwick, chmn.

RANK
23

Quaker Oats Co.

Chicago
ADVERTISING: $423.4 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,724	5,330	7.4
Earnings	203	256	(20.6)
■ U.S.	**1988**	**1987**	**% chg**
Sales	3,630	3,322	9.3

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	30,215	26,147	15.6
Newsp supp	1,005	789	27.3
Newspaper	14,208	1,402	913.7
Outdoor	456	102	346.5
Network TV	123,327	104,107	18.5
Spot TV	24,327	32,877	(26.0)
Synd TV	18,414	18,150	1.5
Network Cable	4,032	3,156	27.7
Network radio	419	1,212	(65.4)
Spot radio	2,552	6,641	(61.6)
Farm pub	165	0	NA
Measured	219,120	194,582	12.6
Unmeasured	204,300	181,400	12.6
Total	423,420	375,982	12.6

Quaker Oats Co. is shoring up top management and trimming down to stay financially independent and competitive in the supermarket. The net effect on advertising and marketing will be smaller increases in spending.

Quaker will halve the 20% to 25% budget increases it has seen for the past several years, to a 10% to 12% increase this year, Chairman-CEO William Smithburg told analysts.

Quaker also in July laid off 170 salaried employees in the U.S. grocery products group and closed a pet food plant in Marion, Ohio, in its drive to increase profitability.

Earlier this year, Quaker sold the Ghirardelli chocolate business it acquired as part of Golden Grain Co. It added Continental Coffee Co. to its foodservice division, and acquired rights to market a line of dry-grocery products under the Pritikin name. Mr. Smithburg also said Quaker is interested in buying RJR Nabisco units.

Quaker entered one entirely new category—the $125 million frozen sandwich market—when it began testing Old Town OvenStuffs last summer. The six-item line contains two French rolls stuffed with Italian fillings, two croissant-dough turnovers and two pita-bread sandwiches. After it moved into test last fall, the line was reassigned from J. Walter Thompson USA to Bayer Bess Vanderwarker, both Chicago.

Quaker hopes the sandwiches have better luck in the freezer than its Aunt Jemima lines. Despite a new, "contemporary" portrait of the 100-year-old spokeswoman, Quaker's frozen Aunt Jemima franchise registered a 25% unit-volume decline during the most recent fiscal year. Two new products, Aunt Jemima Lite frozen pancakes and dry pancake mix, failed to boost sales for the brand.

Likewise, pet food presents a challenge. Quaker's share of the $3.6 billion dog food market is falling across the board. Quaker's share was down from 16% to 14.9% for the year ending June, said County NatWest Securities analyst Timothy Ramey.

Quaker's Ken-L Ration and King Kuts brands accounted for 17.3% of the canned dog food market, down from 18.1%; Quaker's share of dry dog food fell to 13.2% from 13.6%. And in the semimoist category where Quaker's Ken-L Ration and Gaines brands traditionally have dominated, its share fell to 52% from 59.3% while Ralston Purina's increased to 29% from 20%.

Quaker in February pulled Cycle and Gravy Train from Chiat/Day/Mojo, New York, which had handled the brands before Quaker's acquisition. The $8 million Cycle account was assigned to Thompson, and the $10 million-plus Gravy Train account moved to Bayer Bess.

Quaker tried to turn around its granola bar business by adding oat bran to two varieties of Quaker Chewy Granola Bars, and in September launching a new print advertising and public relations campaign aimed at mothers. Still, unit sales were down 20% in the just-ended fiscal year.

Quaker's fourth-place share of the $6 billion ready-to-eat cereal category increased to 8.3%, largely on the strong showings of Oh!s and Quaker Oat Squares; each has a 1% share.

Quaker made its long-awaited entry into the oat-bran derby with a ready-to-eat version of its Quaker Oat Bran that was launched in about 30% of the U.S. in May. An estimated $20 million TV and print campaign, themed "Oat bran from the expert," is supporting the introduction, via Bayer Bess Vanderwarker.

Quaker continued its commitment to building the hot-cereal category with an estimated $16 million in measured media behind its instant and standard oatmeal products.

One of the biggest questions for Quaker is how far and fast it can expand Gatorade. Since Quaker acquired it, Gatorade sales have increased 30% annually, to $350 million in 1988.

In July, Quaker promoted Philip Marineau, 42, to exec VP of its U.S. grocery products division from exec VP-international grocery products. He is credited with making Gatorade Quaker's No. 1 brand.

QUAKER OATS CO.
Quaker Tower
321 N. Clark St.
Chicago, Ill. 60610
(312) 222-7111

Corporate personnel: William D. Smithburg, chmn-ceo; Frank J. Morgan, president-coo.

U.S. Grocery Products

Corporate personnel: Philip A. Marineau, exec vp.

Marketing personnel: C. Clarkson Hine, vp-adv; J. Byron Felter, group vp-sales; Max Lomont, vp-art & packaging; Katherine E. Smith, vp-consumer affairs; John R. Blair, vp-mktg rsch

North American Foods

Marketing personnel: James R. Tindall, sr vp-genl mgr; Sandy Posa, vp, cereals div; Barbara Allen, vp, convenience foods div.

Diversified Grocery Products

Marketing personnel: Douglas W. Mills, sr vp-genl mgr; Russell L. Jones, vp, diversified grocery prods, president, food service; Mark A. Shapiro, vp-mktg, pet foods div.

Grocery Specialties

Marketing personnel: Peter J. Vitulli, president; John S. Breuer, vp-prod mgmt; Bill Schmidt, vp-sports mktg.

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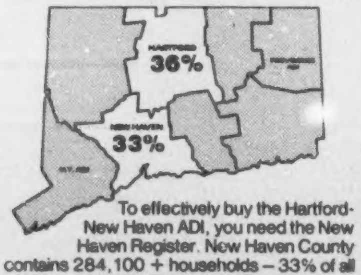

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For more information, please contact National Advertising Manager Tom Foley, at (203) 562-1121, Ext. 262, or Landon Associates.

*Sources: SAMM, 1987; ANM 1986-1987

Golden Grain

Marketing personnel: Verinder K. Syal, president.

Brands/services by agency of record:

Cap'n Crunch
Crunchy Bran
Gatorade
Gravy Train
Kretschmer wheat germ
Oh!s
Old Town OvenStuffs
Puffed Rice
Puffed Wheat
Quaker Oat Bran
New prods

Ad agency: Bayer Bess Vanderwarker, Chicago: Gary R. Bayer, chmn-coo; Ronald Bess, president-coo; Tony Vanderwarker, vice chmn-chief creative officer; G. Brian Goodall, sr vp, dir-acct mgmt.

■

Industrial cereals
health foods

Ad agency: Bender, Browning, Dolby & Sanderson, Chicago: Kathleen Truty, acct super.

■

Quaker corn prods & grits
Van Camp's
Wolf brand prods
Hispanic & black mktg

Ad agency: Berry-Brown Advertising, Dallas: Robert E. Berry, chmn.

■

Golden Grain
Noodle-Roni
Rice-A-Roni

Ad agency: Chiat/Day/Mojo, San Francisco: Matthew Crisci, sr vp-acct mgmt dir; Wayne Fulcner, group head.

■

Life
100% Natural Cereal
Quaker Oats & Instant Oatmeal
Quaker Extra
Quaker Oat Squares

Ad agency: Jordan, McGrath, Case & Taylor, New York: Jim Jordan, chmn; Bruce Guidotti, sr vp-acct svcs.

■

Hispanic adv

Ad agency: Mendoza, Dillon & Asociados, Newport Beach, Calif.: Richard Dillon, president.

■

Aunt Jemima prods
Chewy Granola Bars
Cycle
Granola Dipps
Ken-L Ration dog foods
Rice cakes

Ad agency: J. Walter Thompson USA, Chicago: Alan Moser, sr vp-mgmt dir.

Fisher-Price Toys
East Aurora, N.Y.

Marketing personnel: R. Bruce Sampsell, exec vp.

Brand/services by agency of record:

Fisher-Price toys

Ad agencies: Backer Spielvogel Bates Worldwide, New York: Ed Keating, exec vp.

J. Walter Thompson USA, Chicago: Matthew Kurz, vp-acct dir.

RANK
24

Ralston Purina Co.

St. Louis
ADVERTISING: $421.0 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,876	5,578	5.3
Earnings	388	526	(26.3)
■ Division sales	**1988**	**1987**	**% chg**
Bakery prods	1,783	1,842	(3.2)
Pet foods	1,550	1,442	7.4
Cereals	339	302	12.4
Other	100	69	44.7

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	21,546	18,077	19.2
Newsp supp	1,544	96	1,508.7
Newspaper	16,346	2,982	448.1
Outdoor	160	513	(68.7)
Network TV	72,886	102,545	(28.9)
Spot TV	21,748	25,152	(13.5)
Synd TV	9,328	8,895	4.9
Network Cable	4,880	4,342	12.4
Network radio	5,315	4,963	7.1
Spot radio	1,840	2,570	(28.4)
Farm pub	1,180	1,143	3.2
Measured	156,773	171,278	(8.5)
Unmeasured	264,200	288,700	(8.5)
Total	420,973	459,978	(8.5)

New product introductions by Ralston Purina in the pet food and cold cereal markets—both worth $5.9 billion at retail—kept encroachment from competitors at a minimum during 1988.

Ralston will enter the baby food business late this year with the recent buyout of troubled Beech-Nut Nutrition Corp. from Nestle. Beech-Nut holds 17.4% of the baby food market, down from 20% three years ago just prior to its indictment and subsequent conviction for selling adulterated and mislabeled apple juice.

Ralston, which declined 0.2 share points in the overall pet food market to 28.3%, introduced two dog snacks—Ribz and Beggin' Strips—in the $420 million pet treat segment.

Ralston added Pro Plan dog food to the specialty lines offered exclusively in pet food stores and veterinarians' offices. The entry in the $700 million superpremium dog food niche was supported with FSIs (created in-house) in major-market newspapers. Ralston holds a 27.2% share in the overall $3.6 billion market, according to John C. Maxwell Jr., analyst with Wheat First Securities.

Ralston released Kitten Chow Dairy Formula, packaged in imitation milk cartons, and rolled out Cat Chow Plus, the feline version of its successful Purina O.N.E. product for dogs. Both new products are expected to strengthen Ralston's 31% share in the $2.1 billion cat food market, according to Mr. Maxwell.

Ralston moved its $10 million Dog Chow account in 1988 from Wells, Rich, Greene, New York, which had handled the account for 15 years, to in-house agency Centra Advertising.

Ralston introduced four new cereals in the $5.9 billion cold cereal market where its share declined 0.2 points to 5.9%.

Ralston Muesli was introduced in mid-1988 with a network and spot TV campaign. Bran News was launched with an estimated $5 million-to-$10 million multimedia campaign.

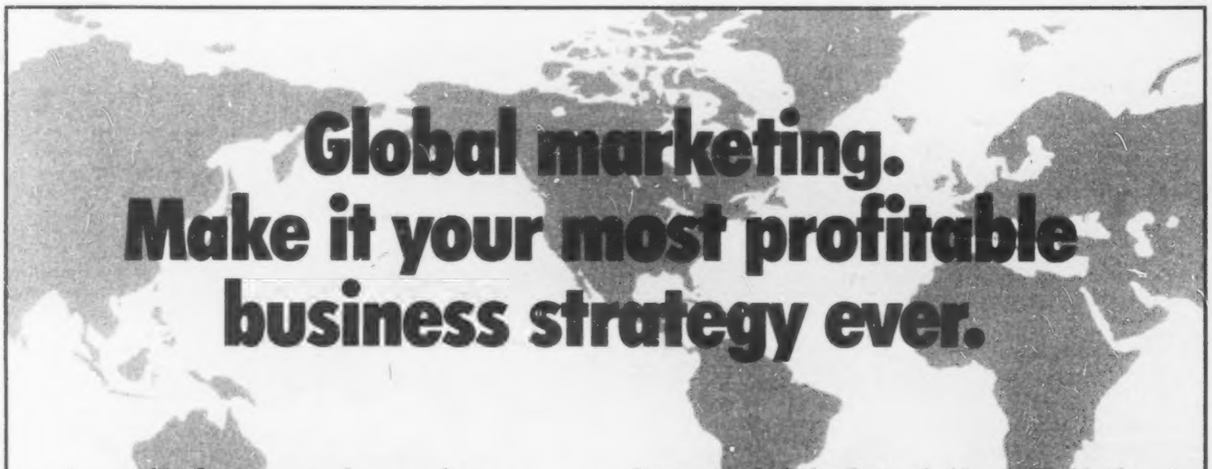
Dinersaurs hit the market with heavy TV support, as well as FSIs and a promotional tie-in with the release of World Events Productions' "Denver, the Last Dinosaur" cartoon TV special. A subsequent deal with Fries Home Video resulted in a 30-second spot for Dinersaurs appearing in the "Denver" video. Dunkin' Donuts cereal, the result of a licensing agreement between Ralston and the doughnut chain, rolled out in late summer 1988 with a multimedia campaign.

Continental Baking Co. offered four varieties of Oatmeal goodness bread as its response to the oat bran craze and expanded its snack cake line with the addition of Hostess Pudding Cakes and Hostess Fruit and Creme Twinkies.

Eveready introduced its Conductor line of alkaline batteries for audio devices and its Lithium-plus AA battery, as well as a line of 11 home safety and security products dubbed Eversafe.

Eveready repositioned its products last year, creating Eveready Classic batteries and Eveready Super Heavy-Duty batteries, as well as the Conductor line.

Overall, however, Eveready lost ground in the $2.5 billion battery market, prompting it to pull its $25 million Energizer account from DDB Needham early this year, reassigning it to Chiat/Day/Mojo. In the past two years, Eveready's share in the alkaline battery market has slid from 52% to 45%, a drop attributed to increased



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competitor advertising and heavy discounting.

Ralston Purina divested its holdings in Van Camp Seafood Division, makers of Chicken of the Sea tuna and salmon products, in November 1988 to a private investment group for $260 million.

RALSTON PURINA CO.
Checkerboard Square
St. Louis, Mo. 63164
(314) 982-1000

Marketing personnel: T.E. Touhill, vp, dir-adv & creative svcs; R.M. Boone, mktg rsch dir; R.C. Wagner, dir. production svcs; R.L. Anello, president-exec creative dir, CAC Advertising; G.C. Cook, president, Checkmark Promotion & Marketing Services; J.H. Hickman, acct dir; J.I. Shubert, dir-adv & media svcs.

Brands/services by agency of record:

In-house promos

Ad agency: (In-house): Checkmark Promotion & Marketing Services: G.C. Cook, president.

■

Honey Graham Chex
Double Chex
Muesli
Purina 100
Dog Chow
Eveready Heavy Duty

Ad agency: (In-house): CAC Advertising, St Louis: R.L. Anello, president-exec creative dir.

■

Corp media planning & buying

Ad agency: (In-house): Checkerboard Media Co.: J.I. Shubert, dir-adv & media svcs.

■

Kitten Chow
Cat Chow
Chex cereals
Dinersaurs
Almond Delight

Ad agency: Avrett, Free & Ginsberg, New York: Lawrence Riegel, exec vp.

■

Pet foods
Meow Mix
Energizer
Conductor
New prods

Ad agency: DDB Needham Worldwide, Chicago: Charles Austin, mgmt rep.

■

O.N.E.
Prime dog food
Beef Complete dog food
Grrravy
New prods

Ad agency: Scali, McCabe, Sloves, New York: Stuart Epstein, exec vp-group dir.

■

Purina Hi-Pro
Mainstay dog food
Ghostbusters cereal
Dunkers
Bran News
New prods

Ad agency: Ally & Gargano, New York: Warren Dechter, exec vp.

■

Chuck Wagon
Puppy Chow
Bonz dog biscuits
Alley Cat
Pets for People
Fit 'n Trim
Purina line
New prods

Ad agency: Gardner Advertising, St. Louis: Larry Noedel, dir-acct mgmt.

■

Tender Vittles
Butcher's Blend
Bran Chex

Ad agency: Wells, Rich, Greene, New York: Tom Hays, sr vp-group head, acct super.

■

Happy Cat food
Chex snack mix
Lucky Dog
Beggin Strips dog treats
Wonder breads
Hostess cakes
New prods

Ad agency: Tatham-Laird & Kudner, Chicago: Kirk Boland, mgmt super.

■

Cookie Crisp
Fruit Islands
New prods

Ad agency: Noble-Tennant, Chicago: Uve Wende, vp-mgmt super.

■

Chow div

Ad agency: Fletcher/Mayo/Associates, St. Joseph, Mo.: Glenn R. Mayo, acct exec.

■

Animal food prods

Ad agency: Wilson Sculley Associates, St. Louis: John W. Sculley, president.

■

Dog Chow & Puppy Chow
Hi-Pro
Pro Plan
Cat Chow
Purina 100
Tender Vittles

Ad agency: Stockton West Burkhart, Cicinnati: Jay B. Schloemer, president.

Continental Baking Co.
St. Louis

Marketing personnel: Sue Herrick, div vp, established prod mktg; Rudy R. Norris, div vp, mktg & cake; Patrick Fox, dir-new prods.

Brands/services by agency of record:

Wonder breads
Hostess snack cakes
Bread du Jour

Ad agency: Tatham-Laird & Kudner, Chicago: Lisa Barrett, mgmt super.

■

Braun Baking Co. bakery
Home Pride

Ad agency: Grey Advertising, New York: Robert Schoenfein, exec vp-mgmt rep; Warren Fisher, acct dir; D.A. Hutnik, acct super; Rosalind Gould, asst acct exec.

Eveready Battery Co.
St. Louis

Marketing personnel: D.L. Thorpe, vp-mktg, George D. Klein, dir-mktg svcs.

Brands/services by agency of record:

Eveready batteries

Ad agency: Chiat/Day/Mojo, Venice, Calif.: Tony Wright, mgmt super; Carisa Bianchi, acct super.

■

Eveready new prods

Ad agency: Levine, Huntley, Schmidt & Beaver, New York: Robert H. Smith, president.

RANK
56

Revlon Group

New York
ADVERTISING: $177.3 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	2,477	2,400	3.2
Earnings	NA	NA	NA

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	42,488	36,562	16.2
Newsp supp	5,109	2,013	153.8
Newspaper	2,163	2,448	(11.6)
Outdoor	19	14	30.8
Network TV	30,127	31,678	(4.9)
Spot TV	4,164	8,764	(52.5)
Synd TV	3,532	3,227	9.5
Network Cable	613	120	410.2
Network radio	232	900	(74.2)
Spot radio	701	1,312	(46.6)
Farm pub		0	NA
Measured	89,148	87,037	2.4
Unmeasured	88,200	86,100	2.4
Total	177,348	173,137	2.4

Revlon launched 63 new products in 1988, including new lines obtained in buyouts and marketing agreements.

Visage Beaute Cosmetics Co., specialists in custom-blended makeup and maker of color cosmetics, was purchased for an undisclosed price in August 1988.

In November, Revlon entered into an agreement with Guess? Inc. to market fragrances and cosmetics under the Guess? name. The new line of products is expected out starting at the beginning of 1990.

Then in April 1989 Revlon acquired Betrix Cosmetic Cos. from HM Betrix, West Germany. Earlier, Revlon had gained U.S. marketing rights to Biagiotti fragrances and cosmetics. The Laura Biagiotti Roma line was launched exclusively at Neiman-Marcus last October.

At the beginning of this year, Revlon became the global licensee for Arnold Scassi's signature fragrance, Scassi, which it assigned to Peter Rogers Associates, New York.

Major agency upheavals occurred recently in Revlon's agency assignments, beginning this past January when Tarlow Advertising, New York, became the agency of record for the $11 million Almay account, which had been with Korey, Kay & Partners, New York.

Revlon moved its prestige fragrance brands in-house from Korey, Kay in March 1989. The brands represent $8-$10 million in billings and include such names as Halston, Bill Blass, Hugo Boss, Claude Montana and Norell.

Revlon purchased Tarlow Advertising outright in July and named agency President Dick Tarlow exec VP-advertising. In August it moved Charlie and Trouble fragrances, and the Clean & Clear and Nutrasome haircare lines in-house to its Creative Workshop and Tarlow. All came from Hill, Holliday, Connors, Cosmopulos, and represented about $15 million in billings, the largest being the $7 million Clean & Clear account.

At the same time, Sudler & Hennessey, New York, lost two accounts to Revlon's in-house agencies—the Flex haircare line and Mitchum antiperspirants. Together they are worth more than $3.6 million in billings.

Revlon's "Unforgettable Women" campaign maintained a strong media presence in 1989, as new, familiar faces were introduced, including male spokespersons, actor Frank Langella and football star Joe Montana.

Hoping to bolster its department store presence, Revlon embarked on the second year of "The Nines" concept, introduced last year as part of a three-year-effort to link Revlon's prestige makeup, skincare and fragrance brands. Analysts say Revlon has yet to see significant gains from "The Nines" effort.

Ultima II's new president, former *Vogue* beauty editor Andrea Robinson, together with photographer Irving Penn and Bob Nielsen, chairman of Revlon's Fashion & Designer Group, designed a print campaign for the line that boasts neither copy, product shot nor model faces. Instead, the Ultima name is spelled out on successive pages in color makeup. The aim of Ultima's efforts is to develop customer loyalty by offering shades suited to the woman, not to the season.

Revlon's Creative Workshop launched a campaign in May for a new Ultima product, The Moisturizer, stressing standard benefits—hypo-allergenic, non-irritating, fragrance-free.

The company has held its own in mass-marketed cosmetics, though all three of the top players—Noxell, Schering-Plough's Maybelline and Revlon—lost some ground to smaller marketers.

As of April 1989, Revlon was third in the mass-market category at 13.8%, down slightly from 1988. Noxell continued to lead with a 21% share followed by Maybelline at 18.5%, according to Lynne Hyman, analyst with First Boston Corp.

Revlon's decline was attributed to lower sales of its nail and lip products, categories which competitors have been promoting heavily.

Revlon, among the top three fragrance marketers in the U.S., along with Avon Products and Estee Lauder Inc., introduced Electric Youth by Debbie Gibson (the singer) fragrance in August through drug stores, traditionally a strong distribution point for Revlon. That Man fragrance for men was brought out by Tarlow in September.

Matthew Rubel was appointed president of the newly-established specialty store division, which incorporates the Marcella di Borghese, Alexandra de Markoff, Jeanne Gastineau and Lancaster lines.

The company is expected to generate over $3 billion in revenue in 1989 from cosmetics fragrances and its National Health Laboratories.

REVLON GROUP
767 Fifth Ave.
New York, N.Y. 10022
(212) 572-5000

Corporate personnel: Ronald O. Perelman, chmn & ceo; Howard Gittis, vice chmn; Sol Levine, president; Lawrence Wechsler, president, Revlon Communications & Creative Group.

Marketing personnel: Arthur I. Cohen, exec vp-adv; George W. Feld, vp-adv svcs; Richard Kressler, Laura Mogul, adv dirs; Anthony Cozzolino, budget media dir; Dick Tarlow, exec vp-adv; Arnold Zimmerman, president-Revlon Classic Cosmetics & Fragrance Group; Paul Bloch, exec vp, Revlon Classic Cosmetics & Fragrance Group; Don Wilchek, sr vp-mktg, Revlon Classic Cosmetics & Fragrance Group; Neil Katz, president, Beauty Care Group; Andrea Robinson, president, Ultima II; Anthony Liebler, genl mgr, Prestige fragrance div; Robert Nielsen, president, Fashion & Designer Group; Jackie Hadley, vp-mktg, Fashion & Designer Group.

Brands/services by agency of record:

Classic Revlon
Intimate
Neat-Touch
Super Lustrous Lipsticks
New prods

Ad agency: Hill, Holliday, Connors, Cosmopulos, New York: Wally O'Brien, president; Jean Wolf, sr vp-mgmt super; Maggie Keats, vp-acct super; Bob O'Leary, acct exec.

■

New prods

Ad agency: Ketchum Advertising, New York: Matt Seiden, Melanie Lester, acct supers.

■

Care for Kids Mousse
Charz
Electric Youth by Debbie Gibson
Prestige fragrances
Revlon lipsticks, nail enamel & makeup
Princess Marcella di Borghese

Ad agency: (In-house): Revlon Creative Workshop: George W. Feld, vp-adv svcs; Leslie Goldman, Bobbie John, creative dirs.

■

Scaasi fragrances

Ad agency: Peter Rogers Associates, New York: Linda McGrath, acct super.

■

Almay
Jean Nate
Jontue
Max Factor
That Man

Ad agency: Tarlow Advertising, New York: Russell Gilsdorf, mktg dir; Brian Skelly, assoc media dir; Pat Casa, planning dir; Nancy Brodsky, Carolyn MacIver, acct supers.

Professional Products Group
Jacksonville, Fla.

Corporate personnel: Irving J. Bottner, president.

Marketing personnel: Louis Rapolo, sr vp-mktg.

Brands/services by agency of record:

Professional Products Group

Ad agency: Merchandising Workshop, New York: Joanie Curcio, sr vp.

RANK
5

RJR Nabisco

New York
ADVERTISING: $814.5 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	131,463	105,674	24.4
Newsp supp	4,153	12,518	(66.8)
Newspaper	37,704	12,934	191.5
Outdoor	57,364	63,064	(9.0)
Network TV	174,002	209,777	(17.1)
Spot TV	18,907	25,914	(27.0)
Synd TV	15,146	19,136	(20.9)
Network Cable	14,292	14,667	(2.6)
Network radio	4,741	2,226	113.0
Spot radio	702	8,708	(92.0)
Measured	458,437	474,709	(3.4)
Unmeasured	356,100	368,800	(3.4)
Total	814,537	843,509	(3.4)

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Source: The 1988 Scarborough Report, L.A. Market

The debt burden resulting from the $25 billion buyout of RJR Nabisco to Kohlberg Kravis Roberts & Co. is being felt at both R.J. Reynolds Tobacco Co. and Nabisco Brands, where ad spending has been slashed until at least this fall.

Even before the December 1988 acquisition—the largest in U.S.—RJR Nabisco's ad spending had been on the decline each year since 1985 when it recorded an estimated $996 million.

As a result of the acquisition, RJRN tightened its belt at its Winston-Salem, N.C.-based tobacco unit, dismissing 1,640 salaried employees in August 1989. The bloodletting is expected to spill over into the unit's marketing department, where some rejuggling of positions is believed imminent.

The first sign of those changes is the institution of a new brand management system at RJR Tobacco, in which teams work on each brand. Through the new system, other departments, including manufacturing, finance, sales planning and research development, work in tandem with brand managers.

In an effort to pay back debt incurred in the buyout, KKR planned to divest some of the company's food businesses, worth $5 billion, by 1990. To date, KKR has sold or has contracts to sell $4.5 billion worth of businesses.

Chun King went to a Singapore-based joint venture, Yeo Hiap Send Ltd. and Fullerton Holdings Pte. Ltd., for $52 million. Several European cookie/cracker operations were sold to BSN Groupe, Paris, for $2.5 billion, including U.K. biscuit operations and Belin Group, a French pastry operation. Last month RJR retained Lazard Freres & Co. to explore the sale of its 20% interest in cable network ESPN.

KKR agreed this month to sell Del Monte fresh fruits and vegetables business to Polly Peck International, London, for $875 million, and is negotiating to sell Del Monte's canned food and processing businesses worldwide except in Canada for a possible $1.5 billion.

Early in 1989, the Federal Trade Commission advised KKR to sell one of its catsup businesses, because it could not keep its Del Monte and Beatrice's Hunt-Wesson brands in its larder.

Analysts anticipate that perhaps part of the Planters LifeSavers confection division will become another casualty.

RJRN reshuffled executives as a result of the merger. Chairman F. Ross Johnson and RJR Tobacco Chairman-President-CEO Edward Horrigan left the company. Mr. Johnson was succeeded by former American Express Co. President Louis V. Gerstner Jr. Company headquarters were then moved to New York from Atlanta.

Dolph von Arx, president-CEO of RJR Tobacco USA, moved to chairman-president-CEO of Planters LifeSavers. Then, in August 1989, David Iauco was named senior VP-marketing, RJR Tobacco, succeeding John Winebrenner, who moved to senior VP-marketing, RJR Tobacco International.

By the time of the buyout, RJRN already had made major changes in its agency roster, firing Saatchi & Saatchi Advertising on its $70 million cookie account. That was reportedly to "punish" the agency for creating an anti-smoking ad for another client, Northwest Airlines. The firing prompted a realignment of agencies, with tobacco agencies FCB/Leber Katz Partners and McCann-Erickson gaining most of the business.

Tatham-Laird & Kudner and Bozell Inc. were dropped from RJRN's roster. FCB/Leber Katz Partners picked up $90 million in Nabisco business, including Oreo and Chips Ahoy! cookies, Fleischmann's margarine (from TLK) and LifeSavers (from Saatchi).

Long Haymes & Carr, Winston-Salem, N.C., which already handled Doral cigarettes, also was assigned the $4 million Bubble Yum account previously at Saatchi.

Interpublic Group of Cos. agencies Lowe Marschalk and Lintas:USA also picked up business. Lowe received the $4 million Ortega foods unit formerly held by TLK, and Lintas received $25 million in Planters nuts and snacks.

However, in summer 1989, Interpublic's gains were more than offset by losses when RJR Tobacco fired its McCann-Erickson unit on both Camel and Winston cigarettes. McCann had created a campaign for Camel, reviving the brand's longtime symbol, Old Joe the Camel, with a breezy tongue-in-cheek new look. But the agency's effort for Winston, with sports imagery and the theme "Winning Taste," did not work as well.

According to Wheat First Securities analyst John Maxwell, Winston's 1988 market share was 10.8%, down from 11.1% a year earlier. The brand has been steadily losing share since 1984. Media spending also dipped 21% to $30.8 million, according to LNA/Arbitron, putting Winston spending below that of Salem at $35.3 million, up 145%.

FCB/Leber Katz Partners was assigned Winston and Young & Rubicam, New York, was given Camel. Sources said spending for both brands should resume normal levels—up to 50% more than what RJR spent in 1988—by year's end 1989. Camel in 1988 drew $24.4 million, up 52.5%, according to LNA/Arbitron.

Camel's share inched up in 1988, according to Mr. Maxwell, ending with a 2.8% share, up from 2.7% a year earlier. Salem finished the year at 7.4%, down from 7.7%, according to Mr. Maxwell. It received a major new promotional/advertising push, estimated at $35 million. Themed "Salem Soundwaves," the campaign, from FCB/Leber Katz's Integrated Communications Group, broke in April 1989.

Although RJR pulled its Premier "smokeless" cigarette out of test market in March 1989 over pressure from health groups, the company did not stop trying new twists in cigarette marketing in 1988-89.

Soon after Premier was snuffed out, RJR began testing Vantage Excel 100s in Arkansas, Michigan and Louisiana. The brand emits less smoke than regular cigarettes, and is aimed at addressing smokers' concerns about upsetting nonsmokers. FCB/Leber Katz Partners handles advertising, with headlines announcing "The barrier's broken."

Only two months later, in February 1989, RJR began testing Chelsea cigarettes, a female-targeted smoke which emits a vanilla scent from the lit end. Ads touted the brand as "the first cigarette that smells good" and included a scratch-and-sniff panel, an industry first.

RJR, however, remained well behind Philip Morris Cos. in the overall cigarette market, with a 31.8% share in 1988 compared to PM's 39.3%, Mr. Maxwell said. But RJR, with its Doral and Magna brands, leads PM in the price-value segment of the market, with a 39% share compared to PM's 30%, he said. Price value cigarettes account for 11.4% of the market.

Despite the uncertain environment surrounding the takeover, RJR went ahead with plans for an image ad campaign for Nabisco Brands.

The $5 million effort, created by three Nabisco agencies—FCB/LKP, Lowe Marschalk and McCann-Erickson, broke Jan. 2. The campaign's TV spots pictured Nabisco products as a part of American life.

In October 1988, Nabisco adopted an incentive compensation system for agencies somewhat similar to the incentive compensation package adopted at RJR's tobacco unit nine months earlier.

The system, applying to Nabisco Biscuit Co., Nabisco Foods Co., Del Monte Foods USA and Planters LifeSavers, made agencies eligible for bonuses of from 5% to 20% of revenue based on their performance relative to marketing goals agreed upon at the beginning of the year. The base compensation rate was not disclosed, but it was said to be more than 10% but less than 15%.

Nabisco Biscuit continued to perform well in 1988 as it tallied an estimated $2.1 billion in sales, giving it a 34% share of the $6 billion domestic cookie and cracker industry, well ahead of No. 2, Keebler at 16.3%, according to *Snack Food* magazine.

Nabisco also held just over 50% of domestic industry-wide cracker sales. Dur-

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DISPLAYSYSTEMS

ing 1988-89, the company introduced line extensions of several cookie brands, including Chips Ahoy! Premium Select, an upscale line to compete with Pepperidge Farm.

Nabisco's Teddy Grahams, introduced nationally in 1988, also were a rousing success, ringing up $85 million in sales at manufacturer's level, and giving Nabisco the No. 3 brand in the market. (Nabisco already controlled No. 1 with Oreos and No. 2 with Chips Ahoy!) Shaped like tiny teddy bears and marketed in flavors such as cinnamon and chocolate, the graham-based bears are handled by FCB/Leber Katz.

The company rode on the bite-size bandwagon with Ritz Bits, bite-size versions of Ritz crackers, and peanut-butter filled versions of Ritz Bits. Nabisco Brands President-CEO H. John Greeniaus said the company is working on introducing a bite-size version of Oreos. Such spinoffs, notes *Snack Food*, are probably the only path Nabisco's product development teams could take and are likely to pursue in the near term, given the heavy debt load of the parent.

The other bandwagon Nabisco jumped on was oat bran, introducing Wholesome 'N Hearty Oat Bran and an instant version of the same in 1989, and a cold cereal line extension, 100% Bran with Oat Bran. FCB/LKP handles both.

RJR NABISCO
9 West 57th St.
New York, N.Y. 10019
(212) 672-9000

Corporate personnel: David Kalis, sr vp-worldwide comm.
Brands/services by agency of record:
Corp adv
Ad agency: Babbit & Reiman, Atlanta: Joel Babbit, Joey Reiman, principals.

R.J. Reynolds Tobacco Co.
Winston-Salem, N.C.

Corporate personnel: James W. Johnston, chmn-ceo.
Marketing personnel: Peter Hoult, exec vp-mktg; David Iauco, sr vp-mktg; Richard Sanders, Edward Blackmer, vps-adv & brand mgmt.
Brands/services by agency of record:
Winston
Salem
Vantage
Ritz
Ad agency: FCB/Leber Katz Partners, New York: Robert Hirsch, sr exec vp; Ted Littleford, sr exec vp-exec creative dir.

■

Camel
More
Now
Chelsea
Ad agency: Young & Rubicam, New York: Jane Brite, group genl mgr; Mike Feldman, group dir.

■

Doral
Magna
Sports Marketing Enterprises
Ad agency: Long, Haymes & Carr, Winston-Salem, N.C.: Donald N. Adams, chmn-ceo; Bob Graham, vice chmn-chief creative officer; Loren Chamberlain, vice chmn, chief mktg officer; Bob Fly, president-coo; Logan McCabe, vp, dir, special events & promo.

Planters LifeSavers Co.

Corporate personnel: Dolph von Arx, chmn & president-ceo.
Marketing personnel: Cheryl Bachelder, vp-mktg; Roger Adams, dir-mktg, nuts & snacks; Joseph Collerd, dir-mktg, gum & hard roll candy; Candace Borreson, group prod mgr, chocolate & single serve.
Brands/services by agency of record:
Planters nuts & snacks
Ad agency: Lintas:New York: Spencer Plavoukos, chmn-ceo; Bill Vitriol, acct super; Claire Burson, sr vp-mgmt super; Terry Rosenquist, group exec vp; Frank Devito, president, dir-creative svcs; Lynn Giordano, exec vp-group creative dir.

■

Baby Ruth
Butterfinger
Ad agency: Lintas:New York: Darren Miller, Sharon Moss, acct supers; Claire Burson, sr vp-mgmt super.

■

Care*Free gum
Ad agency: FCB/Leber Katz Partners, New York: Stanley Katz, chmn-ceo; John Felice, asst acct exec; Lorie Donchak, sr vp-mgmt dir; J.C. Lee, sr vp-group mgmt dir.

■

Life Savers
Fruit Juicers
Breath Savers
Ad agency: FCB/Leber Katz Partners, New York: Martha Darmohraj, acct exec; Tony Stanol, vp-acct dir; Lorie Donchak, sr vp-mgmt dir; J.C. Lee, sr vp-group mgmt dir.

■

Bubble Yum gum
Ad agency: Long, Haymes & Carr, Winston-Salem, N.C.: Donald Adams, chmn-ceo; James Woods III, mgmt super; Pat Thomas, sr vp-treasurer; Robert Fellows III, exec vp; Robert Fly, president-coo; Loren Chamberlain, vice chmn-chief mktg officer; Robert Graham, vice chmn-chief creative officer.

Nabisco Brands
East Hanover, N.J.

Corporate personnel: H. John Greeniaus, president-ceo; John Manfredi, sr vp-corp affairs.
Marketing personnel: Peter Chrisanthopoulos, president, RJR Nabisco Broadcast; John McV.Robinson, vp-business planning & devel; Robert Springer, dir-adv svcs; Dante Bonardi, dir, broadcast commerical production; Louis Rubinacci, dir, natl tv; Teri McNamara, mgr, spot tv/radio/print.

Nabisco Biscuit Co.

Corporate personnel: Ellen Marram, president-ceo.
Marketing personnel: Bruce J. Wood, sr vp-mktg; Sharon Fordham, sr dir, new business; William Stuart, sr dir-mktg svcs; Fran Rose, sr dir-strategic planning & mkt rsch; Allan Falvey, dir-consumer promo; Michael Perry, dir-media & adv production; Jim Chambers, category business dir, Nilla, Newtons, Almost Home; Sandy Putnam, category business dir, Oreo, Chips Ahoy!, kids cookies.
Brands/services by agency of record:
Crackers
Ad agency: McCann-Erickson, New York: Bob McKinley, sr vp-group dir.

■

Cookies
Ad agency: FCB/Leber Katz Partners, New York: Jim Bernegger, group mgmt dir.

Nabisco Foods Co.

Corporate personnel: William B. McKnight, president-ceo.
Marketing personnel: Daniel L. Clark, vp-genl mgr, cereals, pet snacks, desserts; Roger Wagner, sr dir-mktg; Alice Limina, dir-planning & mkt rsch; John C. Mitchell, vp-genl mgr, margarine, ethnic foods, sauces & condiments; Marc Schoenholz, sr dir, margarine; Richard Fischetti, dir-planning & mkt rsch.
Brands/services by agency of record:
Margarines
Cereals
Desserts
Dog biscuits
Ad agency: FCB/Leber Katz Partners, New York: Colleen B. Gowl, exec vp-group mgmt dir.

■

A-1 Sauce
Grey Poupon mustard
Ortega
College Inn
Ad agency: Lowe Marschalk, New York: Scott Smith, sr vp-mgmt svc dir.

Del Monte Foods USA
Coral Gables, Fla.

Corporate personnel: Robert Carbonell, chmn; A. Ewan Macdonald, president-ceo.
Marketing personnel: George Pace, sr vp-mktg; Dennis Hixson, vp-sales; Gordon Chapple, vp, dir-mktg, vegetables, tomatoes; Doug Bargenquast, vp, dir-mktg, fruit prods & beverages; Dee Ann Campbell, dir-mktg svcs; Frank Saulsbury, group mgr, consumer, sales promo; Kristi Outzen, group mgr-adv svcs & promo devel; Mark Lees, mktg dir, microwave prods.
Brands/services by agency of record:
Del Monte prods
Ad agency: McCann-Erickson, San Francisco: Jack Tormey, exec vp-genl mgr; Barbara McCann, sr vp-mgmt super.

■

Hawaiian Punch
Hispanic adv
Ad agency: Katsin/Loeb, San Francisco: Dan Katsin, president.

Del Monte Tropical Food Co.
Coral Gables, Fla.

Corporate personnel: Brian Haycox, exec vp.
Marketing personnel: William Haase, vp-North American sales & mktg; Neil Cribb, dir-mktg; Howard Nager, dir, trade relations; Arnold Schurr, dir-food service sales.
Brands/services by agency of record:
Del Monte Tropical Food Co.
Ad agency: Crispin & Porter Advertising, Coral Gables, Fla.: Peter Pluymers, vp-mgmt super.

RANK
31

Sara Lee Corp.

Chicago
ADVERTISING: $326.9 MILLION

Sales & earnings
($ in millions)

Division sales	1988	1987	% chg
Packaged meats	3,440	3,399	1.2
Coffee & grocery	1,816	1,663	9.2

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	34,107	24,288	40.5
Newsp supp	3,199	1,895	68.9
Newspaper	11,731	4,824	143.2
Outdoor	64	269	(76.1)
Network TV	77,553	66,917	15.9
Spot TV	22,547	24,813	(9.1)
Synd TV	3,385	3,282	3.1
Network Cable	2,271	1,121	102.6
Network radio	583	2,701	(78.4)
Spot radio	1,003	781	28.4
Measured	156,444	130,870	19.5
Unmeasured	170,500	142,600	19.6
Total	326,944	273,470	19.6

Sara Lee continued to build market share in its three highly segmented business areas by buying and selling companies and interconnecting its diverse product lines with marketing programs.

This February it purchased Hygrade Food Products Corp., Southfield, Mich., a subsidiary of Britain's Hanson PLC. Hygrade had 1988 sales of $245 million in beef and poultry wieners, turkey luncheon meats, bacon and ham sold under the Ball Park, Hygrade, Grillmaster and West Virginia brand names.

Hygrade's Ball Park hot dogs, 50% of its sales, gives the company 12% of the U.S. frankfurter market to add to Sara Lee's 9%, both behind leader Oscar Mayer, the Philip Morris unit with a share reported as high as 25%. Important to Sara Lee's larger strategy of linking strong national and regional brands, this acquisition joins Jimmy Dean and Hillshire Farm as Sara Lee's third national brand.

The same month, Sara Lee strengthened its fleecewear and athletic clothing line now concentrated around Hanes Printables by buying Champion Products, Rochester, N.Y. Champion, with 1988 sales of $219 million, gives Sara Lee a 17.5% share of U.S. sales in fleecesweats and other athletic wear, compared to its own 4%.

Divestitures continued as a part of Sara Lee's plans to focus on its three business segments—packaged foods, foodservice and packaged consumer products. It sold in October 1988 its Hollywood Brands (Zero, Butternut, Pay Day candy bars), to Leaf Inc., Chicago. Then in December, the company sold the 63-unit Lyon's Restaurant chain, based in Foster City, Calif., to a management-led investors group.

In 1988 it also divested Peck Food Corp., Milwaukee, a processor of fresh meats, to Gillett Holdings, Nashville, and got rid of its sole electrical appliance producer, Electrolux vacuum cleaner division.

In Europe where its sales have grown to $2.3 billion, up 45% in three years compared to domestic growth of 28% in the same period, the company bought Van Nelle Holdings, N.V., Rotterdam and merged it into its expanding Douwe Egberts operations. Van Nelle markets a specialized grocery line including coffee, tea, tobacco and other products. Sara Lee in 1988 increased its share in DIM S.A., to 61%, and earlier this year applied to French authorities for approval to buy DIM's remaining shares. DIM, which has 50% of the French hosiery market, also makes underwear, and is sold in some U.S. outlets. Sara Lee is building a headquarters complex in Utrecht, The Netherlands.

Sara Lee continued to fine-tune its organization by consolidating and centralizing its big knitting and clothing business in Winston-Salem, N.C.

The Chef Pierre/Lloyd J. Harriss frozen pie business of Traverse City, Mich., combined in 1988 with Kitchens of Sara Lee to form the new Sara Lee Bakery, producer now of all the corporation's dessert and bread products.

Sara Lee "restructured" in mid-1989 its PYA/Monarch foodservice segment by selling off part of it in a management buyout that formed a new company, J.P. Food Service, and then entered a joint venture in August with competitor L.N. Sandler to form Consolidated Food Service. Both J.P. Food and Consolidated are licensed to sell Monarch brands and other PYA products. Cooperative working arrangements such as a common computer system link the companies.

The company in 1988 merged Jimmy Dean Meat Co., Dallas, and Rudy's Farm company, Nashville, under one sales and marketing arm with headquarters in Dallas. Likewise, Hillshire Farm, New London, Wis., and Kahn's & Co., Cincinnati, merged to form Hillshire Farm & Kahn's, based in Cincinnati. Consolidations were aimed at increasing production efficiency and cutting promotional duplication.

Sara Lee is showing its human face in more and more advertising. Entertainer and entrepreneur Jimmy Dean extols his leading market share sausage and his breakfast sandwiches in TV commercials. And the real Sara Lee—Mrs. Sara Lee Schupf—appears in testimonial spots for Sara Lee Bakery. Her late father, Charles W. Lubin, founder of Sara Lee, named his company's popular pound cake after her 40 years ago.

Pushing hard to outplay its Fruit of the Loom competition as the No. 1 men's underwear, Hanes this year signed on professional athletes, Chicago Bulls' Michael Jordan, Cincinnati Bengals' Boomer Esiason and San Francisco 49ers' Joe Montana, to brag up its skivvies, socks and athletic outfits. Long, Haymes & Carr, Winston-Salem, N.C., created the $25 million campaign, the biggest yet for Hanes men's/boys' underwear brands.

Umbrella campaigns, cross-branding advertising and tie-in promotions are naturals for many of Sara Lee's units. In fall 1988, Hanes underwear for women and Bali lingerie launched an umbrella campaign to promote the new Hanes Her Way line of panties and brassieres. In 1989, Pannill Knitting fleecewear, Adams Mills socks and Aris Isotoner knit coordinates were added to the cross-sell.

Bali even offered buyers of its bras and control briefs Sara Lee Bakery coupons redeemable for cheesecakes, croissants, etc.

Sara Lee's huge hosiery business (Hanes and L'eggs) which claims nearly 40% of the $2.2 billion U.S. market, drew $52.6 million in measured spending, up 11.9%, according to LNA/Arbitron. Of the total, the Hanes brand dipped 4.7% to $16.4 million, while L'eggs spending jumped 27.6% to $36.2 million. Hanes is the No. 1 brand in the women's hosiery market in department and specialty stores; L'eggs is No. 1 in food, drug and other mass-merchandising outlets. Overall, in 1988, Sara Lee had 36% of the total hosiery market, way ahead of No. 2 No Nonsense/Easy to Be Me with 11%. Hanes is No. 2 to Fruit of the Loom in both men's underwear and women's panties.

In the $1.7 billion department and specialty store market for bras and panties, Sara Lee ranked No. 2 with a 10.3% share for its Bali, Hanes Her Way and Just My Size brands. Playtex was No. 1 with 14.2%.

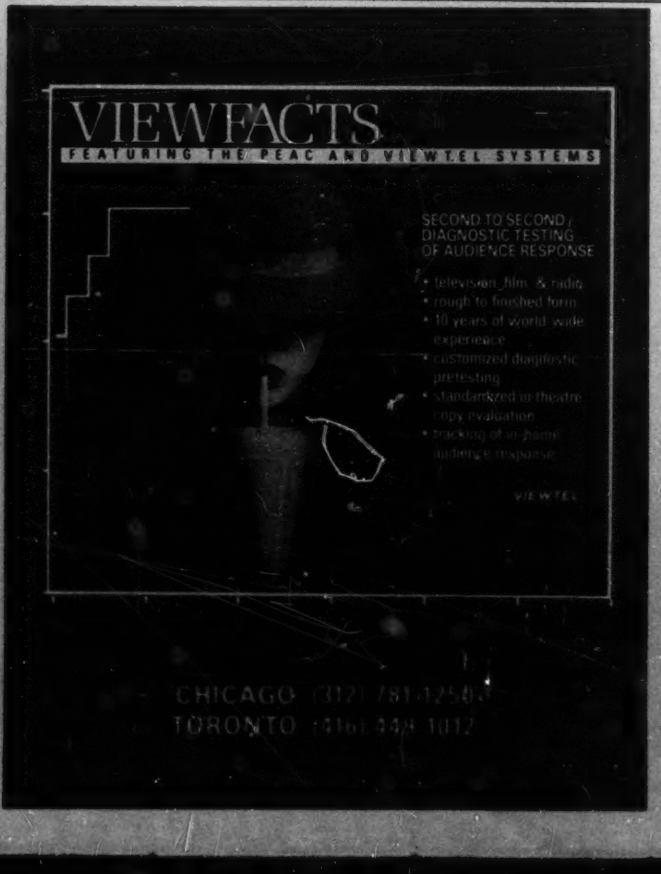
Expenditures for measured advertising of the Aris Isotoner brands of gloves, slippers and other wearables climbed 79% to nearly $27 million.

Sara Lee commands 33% of the $700 million U.S. smoked sausage market, well ahead of Eckrich with 17%. Its Jimmy Dean brand ranks No. 1 nationally in breakfast sausage with a 23% share. Next to hosiery, Sara Lee's biggest media spending is for its meat companies. Their 1988 ad support rose 29% to $29.6 million, according to LNA/Arbitron.

Total measured media rose 20.6% to $15.9 million at Sara Lee Bakery. Sara Lee has a 30% U.S. market share of frozen baked goods followed by Mrs. Smith brands at 15% and Kraft with 12%. In frozen breads and breakfast pastries, Sara Lee's share is even bigger, 37%, followed by Kraft at 31%.

SARA LEE CORP.
Three First National Plaza
Chicago, Ill. 60602-4260
(312) 726-2600

Marketing personnel: Nancy Greenberg, assoc dir-mktg. Aris Isotoner: Irene Prince, prod mgr, ladies gloves & knits; Susan Saner, mktg & sales promo assoc, footwear; Caryl Soroka, prod mgr, mass merch; Wanda Lockwood, pr consultant; Fred Richman, dir, visual merch. Bali Co.: Jean Gariepy, president; Karyl Chongas, group dir-mktg, dept & specialty stores group; Doug Joachim, business dir, natl accts, dept & specialty stores group; Richard Schoonover, business dir, bottoms, dept & specialty stores group; Ralph Shaw, business mgr, dept & specialty stores group; Steve Jones, vp-genl mgr, mass merch group; Ted Cooper, dir-mktg, mass merch group; Charles Forrest, sr brand mgr, mass merch group; Chuck Nesbit, Hanes Her Way sr brand mgr, mass merch group. Bil Mar Foods: E. James Weber, vp-sales & mktg, food service; Dan Lennon, dir-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Packaged Goods and Financial Services
MARTHA WARD ASSOCIATES
EXECUTIVE SEARCH SPECIALISTS

mktg; John Iwanski, prod mgr, beef; Tim Howlett, prod mgr, turkey; Bill Burns, prod mgr, convenience meats; Warren Waters, vp, deli div; Jan Gullet, vp, retail div; Barb Elting, mgr-mktg; Steve Michaelson, group prod mgr, retail div; Michael Briggs, prod mktg mgr, deli div. Bryan Foods: Irv Bronska, president; Bob Hughes, vp-mktg; Marty Butler, dir-mktg; Norman Bessac, dir-promo. Buring Food Group: Billy D. Brown, vp-sales & mktg; Robert Whitsitt, dir-mktg. Canadelle: Ken Steward, genl mgr; Ray Nadeau, vp-mktg; David Authier, dir-mktg; Robert Paluzzi, mktg mgr, WonderBra; Sheldon Deitcher, mktg mgr, Daisy Fresh; Anne Lamoureux, brand mgr, WonderBra: Susan Nadeau, brand mgr, Daisy Fresh; George Cook, dir-creative svcs. Coach Leatherware Co.: Michael Coleman, vp-mktg; Helen Chafkin, dir-adv; David Monet, mgr-creative svcs. Design Foods: Hal Carper, vp-mktg & special segment sales; Art Wolf, sr prod mgr. Douwe Egberts, The Netherlands, coffee/tea group: Hans Damen, vp-mktg, Marcel Rykenberg, mktg mgr; Hans Hofhuuis, mgr-mktg, Van Nelle; Michael Romer, mktg plan & control; grocery group: Herman Schaap, vp-mktg; Karel Smit, mgr-mktg, Duyvis Recter; Willem van Prooyen, mgr-mktg, rice desserts/hail & flakes; Leo van Deutekom, mgr-mktg; R.F. Drenth, mktg dir, household prods, Kortman Intradal; M. vanden Wyngaard, mktg dir, personal care prods, Kortman Intradal. Fuller Brush Co.: Derek J. Stryker, vp, houshold div; Bob McGurkin, dir-mktg, household div; Charlie Clark, dir, mail order; Liz Tanis, dir, store; Ralph Nutter, vp-sales & mktg, retail div. Gallo Salame: Kevin Birkholz, Storrie Johnson, prod mgrs, retail div; Bob McHenry, vp, deli food service div; Frank Chow, mgr-mktg, deli food service div. Hanes Hosiery: Carol Mabe, vp-mktg; Charlotte Farrior, dir, Hanes brands; Randy Royer, dir-retail mktg, Karen Kehler, Steve Halbreich, David McBride, Brad Walker, prod mgrs, Hanes brands; Cathy Loveless, prod mgr, Isotoner; Lynette Hawkins, prod mgr, Fitting Pretty; Melanie Albert, prod mgr, Donna Karan. Hanes Underwear/Hanes Her Way: Barry Boyd, president; John Ceneviva, vp-mktg, men's & boy's; Steve Lineberger, dir-mktg, men's & boy's; Collett Thach, sr prod mgr, men's & boy's; Debbie Sills, Janet Rolls, prod mgrs, men's & boy's; Fran Braun, dir-mktg, women's & girl's; Lisa Hudpeth, prod mgr, women's; Mark Noyes, prod mgr, girl's; Tom Sparling, prod mgr, new prods. Hanes Printables: J.M. Ostrowski, vp; Paul Snyder, dir-mktg, fleece & sport shirts; Bob Vaughn, dir-mktg, T-shirts; Richard White, Melanie Albert, Scott Dalitzky, asst prod mgrs. Hillshire Farm & Kahn's: Greg Sykes, vp-retail sales & mktg; Dick Dedden, vp-retail mktg; Jay Leigever, dir-mktg, smoked & semi-dry sausages; Rich Lowry, dir-mktg, smoked meats, lunch meats, fresh sausage; David Rosenthal, sr prod mgr. Kiwi Brands: M.T. Sherlock, vp-mktg; I.T. Plane, group prod mgr, shoe care; J.T. Rickenbach, group prod mgr, household; J.P. Greenleaf, group prod mgr, new prods & HBA prods; R.A. Alleman, N.S. Threlfall, prod mgrs, household prods; A.B. MacMillan, prod mgr, shoe care; C.T. Binner, prod mgr, HBA prods. L'eggs: Michael Flatow, vp-mktg; Jon Letzler, Steve Lineberger, Gerald Evans, brand dirs; Eva Wu, brand mgr, Sheer Elegance; Molly Hughes, brand mgr, base brands; Monica Jacobs, brand mgr, Sheer Energy; Peter Jacob, brand mgr, new prods; Jime Hines, brand mgr, Just My Size; Andy Ehrens, brand mgr, Underalls. Moccomatt USA: Martin Smoker, vp-business devel; Alice Johnson, sales & mktg coord. PYA/Monarch: Joe B. Pearce, president-ceo; John Gates, business devel & natl chain sales; Jan Rivenbark, sr vp. Sara Lee Bakery: Cynthia Kerr, dir-mktg, bread/breakfast, new prods; Hans Hoerdermann, prod mgr, bagels; Brandy Porter, prod mgr, croissants; Dawn Caldwell, prod mgr, muffins/danishes; Adi Kalika, sr prod mgr, new prods. Sara Lee Desserts: Carl Pickard, dir-mktg; Laurie Winton, prod mgr, pies; Kathy Reilly, prod mgr, snacks; John Essegian, prod mgr, full-size cakes; Joe Holman, mgr-mktg comm. Sara Lee Sausage Division: Gina Domm, vp-retail mktg; Elizabeth Young, mgr, new business devel; Rich Carlson, Dennis Milne, Michele Packard-Milam, brand mgrs, retail; Bob Holiday, vp, food service; Bob Roberts, dir-food service mktg; Tom McDonald, mgr-mktg. Seitz Foods: Rick Benward, dir-sales. Superior Coffee & Foods: John Hughes, vp-mktg; Mary Kay Buettgen, dir-mktg; Ralph Russo, dir-prod mgmt; Bruce Flowers, mgr-adv & promo; Scott Kolber, asst mgr-mktg; Eileen Podkulski, super, mktg svcs. Wolferman's: Bruce Williamson, dir-mktg, specialty foods; Beth McCall, natl whosale dir; Pete Crissey, mgr-specialty food mktg.

Brands/services by agency of record:

Hanes Her Way
Bali Bras
Aris Isotoner knit coordinates
Hanes underwear
Sara Lee knit prods-panties
Pannill Knitting Co.-fleecewear
Adams Mills-socks
Hanes Hosiery
Legg's

Ad agency: Long, Haymes & Carr, Winston-Salem, N.C.: Bali bras, Hanes Her Way: Loren Chamberlin, vp-acct mgmt; Bob Graham, vp-creative. Aris Isotoner: Myra Faulkenberry, acct super; Mike Reed, acct exec. Hanes underwear: Bill Britt, mgmt super, men's & boy's, women's; Patrick O'Sullivan, acct super, men's & boy's. Sara Lee panties: Francie Thompson, acct super; Wendy Barclay, acct exec. Pammill fleecewear, Adams Mills socks: Jim Mitchell, acct super. Hanes hosiery: Bryan Marshall, acct super, Fitting Pretty; Pat Blair, acct exec, Fitting Pretty.

■

Hanes Donna Karan

Ad agency: Arnell Bickford, New York: Peter Arnell, Ted Bickford, owners; Trey Laird, acct exec.

■

Just My Size
Aris Isotoner
L'eggs
Hanes

Ad agency: Saatchi & Saatchi Advertising, New York: Michael Donahue, exec vp-mgmt dir, Hanes, Bali, L'eggs; Marty Gertler, mgmt dir, Hanes, Bali, L'eggs, Just My Size; Lyn Salzberg, acct super, Hanes; Diane Currier, acct exec, Hanes, Aris Isotoner; Susan Keating, acct exec, Bali; Rich O'Gorman, media super, Aris Isotoner; Sherry Nemmers, creative dir, Aris Isotoner; Karen Wassong, asst acct exec, Hanes.

■

Sheer Energy L'eggs medical programs

Ad agency: Kallir, Philips, Ross, New York: Virginia Foley, dir-creative svcs.

■

L'eggs trade adv-print

Ad agency: Maged & Behar, New York: Jack Maged, president; Rich Behar, dir-creative svcs.

■

Bil-Mar, retail self-serve

Ad agency: Lintas:Campbell-Ewald, Detroit: Bill Case, sr vp-mgmt super; Tom Sagers, acct exec.

■

Canadelle, WonderBra

Ad agency: The Academy, Ogilvy Communications, Montreal: Jean Deschenes, group super, dir-client svcs; Stephanie Kouri, acct mgr.

■

Canadelle, Daisy Fresh

Ad agency: Prisme, Montreal: Hugh Forbes, acct dir; Jennifer Damiani, acct exec.

■

Bryan Foods
Bryan/Smokey Hollow processed meats

Ad agency: Ally & Gargano, New York: Amil Gargano, chmn; Jim Feeney, exec vp-mgmt dir; George Bauerschmidt, sr vp-mgmt super; Kathy Gallagher, acct exec.

■

Sara Lee Bakery, retail

Ad agency: Chiat/Day/Mojo, New York: Ira Matathia, sr vp, dir-acct svcs; Bob Hoyne, group mgmt super; Drew Neisser, mgmt super; Alexa Gardner, acct super.

■

Coach leatherware

Ad agency: Lord Einstein O'Neill & Partners, New York: Arthur Einstein, president; Lynn Stiles, Seyman Ostilly, vps-assoc creative dirs; Mike Di Clemente, assoc media dir.

■

Hillshire Farms & Kahn's, meats

Ad agency: Puskar, Gibbon, Chapin, Dallas: Jim Gibbon, principal; Tony Dammicci, mgmt rep; Trudy Troell, sr acct exec; Michael Boon, acct exec.

■

Hillshire Farms & Kahn's,
natl mktg, media svcs

Ad agency: Sive Associates, Cincinnati: Phil Mandel, vp-mktg planning; Tom Allen, acct exec.

■

Kiwi brands
Bloo
Miracle White
Jonny Blue/Jonny Green
Ty-D-bol
Sting Kill
Wood Preen
Tintex

Ad agency: Lewis, Gilman & Kynett, Philadelphia: Robert W. Schell, vp-group mgmt super; John H. Krick, acct super; Les Altenberg, Robert W. McIntyre, acct execs.

■

Kiwi brands
Ambi

Ad agency: UniWorld Group, New York: Herb Kemp, president; Mariam Muley, acct super.

■

Design Foods
Gallo Salame

Ad agency: Carol H. Williams Advertising, Oakland, Calif.: Carol H. Williams, owner.

■

Direct mktg for-
Fuller brushes
Wolferman's
& other Sara Lee brands

Ad agency: (In-house): Direct Advertising Services, Winston-Salem, N.C.: Pam Artman, acct exec; Kevin Tapp, acct exec, Wolferman's;

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Terry Strawser, creative dir.

■

Pickwick tea
Duyvis snacks & nuts

Ad agency: Saatchi & Saatchi, Amstelveen, The Netherlands: A. Janssens, mng dir; H. Kramers, creative dir. Pickwick: W. Sprokkrees, acct dir; F. Lieve, acct mgr. Duyvis: T. Nobels, acct dir; B. Roraje, art dir; H. Voskamp, copy; R. Scheuring, planning dir.

■

Douwe Egberts coffees

Ad agency: FHV/BBDO, Amstelveen, The Netherlands: B. Duynstee, R. Troost, acct dirs; M. Ponsioen, client svcs dir; I. Ligthart, J. van de Plas, acct execs; H. Ophof, T. Hollander, creative dirs.

■

Kannis & Gunnink coffee
Rice, desserts

Ad agency: VW&A/HDM, Rotterdam, The Netherlands: L. Wielaard, client svcs dir; L. Varossieau, creative dir. Kannis, Gunnink: E. Schuster, acct dir; E. Tacoma, acct exec. Rice, desserts: M. van de Mortel, acct dir; K. van Asperen, acct exec.

■

Van Nelle coffee

Ad agency: Campaign Co., Amsterdam, The Netherlands: J. Koreman, P. Schweitzer, B. Stamenkovitz, partners.

■

Hail & flakes (chocolate snack food)

Ad agency: PPGH/JWT, Amsterdam, The Netherlands: A. Ploegmakers, mng dir; R. Wisbrun, acct dir; P. van Wijk, copywriter; J. van Meel, art dir.

■

Sara Lee sausage div, retail

Ad agency: Berry-Brown, Dallas: Bob Berry, principal; Carol Irwin, acct super.

■

Sara Lee sausage div, media buying

Ad agency: Media That Works, Cincinnati: Susan Bentzinger, mgmt super; Lyn Jarc, acct mgr.

■

Sara Lee sausage div,
print & collateral

Ad agency: Static Graphics, Dallas: John Eickmeyer, co-creative dir, principal; Rick Raymond, acct super.

■

Sara Lee sausage div, new prods

Ad agency: Larkin-Meeder & Schweidel, Dallas: Carl Larkin, president; Barbara Dressler, acct super.

■

Sara Lee sausage div, food service

Ad agency: Martin Co., Springfield, Mo.: Tom Kugawa, vp-mgmt super; Roger Starnes, acct exec.

■

Buring food group

Ad agency: John Malmo Advertising, Memphis: Buddy Boswell, acct mgr.

■

Sara Lee food service
PYA/Monarch

Ad agency: (In-house): Barbara McWilliams, dir-promo adv.

■

Superior coffee & foods
Moccomatt USA

Ad agency: (In-house), Des Plaines, Ill.: Gene Haring, vp.

■

Superior, Moccomatt USA, pr

Ad agency: Noble-Tennent, Chicago: Raymond Joms, vp acct super.

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Schering-Plough Corp.

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Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	2,969	2,699	10.0
Earnings	390	316	23.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	1,797	1,595	12.7
Operating income	447	383	16.8
■ Division sales	**1988**	**1987**	**% chg**
Pharmaceuticals	2,210	1,865	18.5
Consumer prods	760	835	(9.0)

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	36,617	29,202	25.4
Newsp supp	720	83	765.0
Newspaper	4,085	190	2,054.5
Outdoor	148	263	(43.6)
Network TV	57,727	66,038	(12.6)
Spot TV	7,314	8,186	(10.6)
Synd TV	3,287	8,057	(59.2)
Network Cable	6,137	2,870	113.8
Network radio	11,256	10,641	5.8
Spot radio	1,202	3,696	(67.5)
Farm pub	480	534	(10.1)
Measured	128,973	129,761	(0.6)
Unmeasured	133,200	134,000	(0.6)
Total	262,173	263,761	(0.6)

Acquisitions helped Schering-Plough expand its presence in key consumer products markets and joint ventures set the stage for new product launches in its ethical and OTC drug operations.

In cosmetics, the Maybelline line continues to hold second place in the market to Noxell's Cover Girl cosmetics. New product introductions and increased promotional efforts helped improve Maybelline's market share from 19.5% to 20% in 1988 compared to 22% for Noxell's Cover Girl, according to Value Line Investment Survey analyst Rudolph C. Caryl.

While Maybelline's worldwide sales grew by 10%, its U.S. measured spending dropped 9.5% to $38 million. Maybelline put $8 million behind the launch of Color Soft Lips and Color Tough Nails, part of the cosmetic's Shine Free line targeted at young women.

The largest-selling Maybelline line, Great Lash mascara, remained the leader and drew $14 million in measured media expenditures, up 17%.

This July, S-P sold to Unilever its European cosmetic companies, Rimmel and Chicogo, which had combined sales of about $75 million in 1988. S-P's North America cosmetics company, Maybelline, had 1988 sales of $280 million.

S-P's personal care group, which includes U.S. sun-care and foot-care products and proprietary medicines, introduced premium-priced Spectra tanning products to broaden its sun-care line. In its first year on the market, Coppertone Water Babies line of sun protection products for children grabbed 43% of the children's segment, a share twice that of the closest competitor.

Coppertone received $4 million in measured media support, down 20%, according to LNA/Arbitron.

Dr. Scholl drew $11 million in measured spending, a hike of 196% attributed to support for Back Guard full-shoe inserts. Specialty shoe inserts are the growth segment of the foot care market, according to S-P.

Drixoral cold medication got a 101% increase in measured media to $13 million but its share of the highly-competitive $700 million cold medications market remained at 7%. Drixoral is fifth, behind leader Procter & Gamble's Nyquil at 12%, Miles' Alka-Seltzer at 10% and BurroughsWellcome's combined 9% share for Actifed and Sudafed.

Last September, S-P purchased Palo Alto, Calif.-based Cooper Cos.' domestic contact lens solutions line, and later obtained rights in the U.S. and Japan to Cooper's Aquaflex line of soft contact lenses.

S-P formed two joint ventures to develop and market products, including one with Marion Laboratories for an OTC version of Marion's anti-ulcer drug, Carafate and another with Sandoz Pharmaceuticals for GM-CSF, a natural protein that plays an important role in the production of white blood cells.

The Cooper lines were merged with the Wesley-Jessen vision care business. Big spending in the divisions remained Dura-Soft contact lenses, which received $8.1 million in measured spending, down 5%, according to LNA/Arbitron.

S-P moved all its Ogilvy & Mather business after the two came at odds over S-P's refusal to provide O&M with more substantiation for Fibre Trim ad claims. Fibre Trim went in-house. Ocu-Clear and Chlor-Trimeton, totaling $20 million in billings, went to Ketchum Advertising, New York and Drixoral to Messner Vetere Berger Carey Schmetterer, New York.

SCHERING-PLOUGH CORP.
One Giralda Farms
Madison, N.J. 07940-1026
(201) 822-7000

Consumer Operations
Memphis, Tenn.

Corporate personnel: R. Lee Jenkins, exec vp.; Lewis Nolan, vp-comm.

Maybelline USA
Memphis

Corporate personnel: David C. Brittain, president; Gary Mulloy, exec vp.

Marketing personnel: David Blanton, vp.

Brands/services by agency of record:

Maybelline cosmetics

Ad agency: DDB Needham Worldwide, Chicago: Dawn Hudson, mgmt rep.

■

Shine Free cosmetics

Ad agency: Bloom Cos., Dallas: Steve Price, dir-client svcs.

Personal Care Products

Marketing personnel: Gerry Nobrega, sr vp; Russ Elliott, vp.

Corporate media buying: (In-house): Lake-Spiro-Shurman, Memphis: Avron Spiro Jr., president; Ron Mednick, vp-media planning; Lynn Sanders, vp-media purchasing.

Brands/services by agency of record:

Solarcaine
Tropical Blend
Muskol
Di-Gel
St Joseph children's prods

Ad agency: Bloom Cos., Dallas: Charlie Calise, mgmt super.

■

Coppertone
Dr. Scholl's
Stay Trim
Water Babies
Zinka

Ad agency: Della Femina, McNamee WCRS, New York: Mike Jeary, group dir; Joanne Tilove, mgmt super.

■

Correctol
Duration
Feen-A-Mint
Shade

Ad agency: Warwick Advertising, New York: Andy Mockler, mgmt super.

Pharmaceutical Operation
Schering Laboratories
Kenilworth, N.J.

Marketing personnel: Fred Fritz, sr vp-sales & mktg, OTC; Charles Stroupe, sr vp-sales & mktg, Rx; Robert Baldini, sr vp-sales & mktg, Key Pharmaceuticals; Arnold Burstein, vp-new prod mktg; Sharon McGee, Robert Nissen, dirs-mktg.

Brands/services by agency of record:

Intron
Eulexin
Normodyne
Normozide
Unicard

Ad agency: Robert A. Becker Inc., New York: Robert A. Becker, president.

■

K-Dur
Nitro-Dur

Ad agency: William J. Bologna International, New York: Bill Bologna, chmn-ceo; Tim McCann, president-coo.

■

Claritin

Ad agency: Thomas G. Ferguson Associates, Parsippany, N.J.: Thomas G. Ferguson, chmn-ceo.

■

Vancenase
Diprolene
Elocon
Trinalin
Lotrisone
Vanceril

Ad agency: William Douglas McAdams, New York: Irwin Gerson, chmn-ceo; Anthony D'Onofrio, president; Joseph Carobene, exec vp.

■

OcuClear
Coricidin
Afrin
A&D Ointment
Tinactin
Chlor-Trimeton
Deals

Ad agency: Ketchum/Hicks & Griest Advertising, New York: Naomi Lowenthal, acct super-pr.

■

Proventil
Theo-Dur
Uni-Dur
OTC medical

Ad agency: Klemtner Advertising, New York: Doug Bruce, sr vp.

■

Drixoral

Ad agency: Messner Vetere Berger Carey Schmetterer, New York: Kent Roman, acct super.

Pharmaceutical Operations
Schering-Plough Animal Health
Cranford, N.J.

Marketing personnel: Glenn Horrocks, vp-US mktg & sales; Thomas F. Battaglini, sr dir-mktg; John F. Kopf, dir-mktg svcs.

Brands/services by agency of record:

■

Banamine
Gentocin
Intra Trac-II
PHF Vax
Synacid

Ad agency: Bergelt Advertising, New York: David Venghaus, John Fraoli, vps.

■

Dura SE-120
Gleptosil
Genecol 99
Swine biologicals
Piliguard Pinkeys
Garasol
Mink biologicals
Poultry biologicals

Ad agency: Bryant, Lahey & Barnes, Shawnee Mission, Kan.: Forrest Bryant, president; Lorraine Barnes, acct super.

Wesley-Jessen
Chicago, Ill.

Marketing personnel: Grady A. Deal, president; Robert Cullen, vp-sales & mktg; Thomas Steiner, sr dir-intl & professional mktg.

Brands/services by agency of record:

Wesley-Jessen

Ad agency: Young & Rubicam, Chicago: Dana Anderson, vp-group dir; Michael Powers, acct super; Mary Hasten, acct exec.

RANK
70

Seagram Co.

Montreal
ADVERTISING: $143.1 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	5,056	3,815	32.5
Earnings	589	521	13.1
■ Division sales	**1988**	**1987**	**% chg**
Spirits & wine	4,282	NA	NA
Fruit juices	774	NA	NA

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	32,016	23,103	38.6
Newsp supp	828	2,106	(60.7)
Newspaper	5,641	4,953	13.9
Outdoor	9,278	13,958	(33.5)
Network TV	44,360	30,847	43.8
Spot TV	9,683	12,326	(21.5)
Synd TV	3,440	2,487	38.3
Network Cable	111	556	(80.1)
Network radio	0	297	NA
Spot radio	1,745	3,839	(54.5)
Measured	107,102	94,474	13.4
Unmeasured	36,000	31,800	13.2
Total	143,102	126,274	13.3

Seagram Co. is seeking to become a premium beverage company, not just a distilled spirits marketer, by focusing on promoting its premium beverage brands, acquiring others (including non-alcohol brands) and divesting marginal lines.

Following last year's acquisitions of Tropicana for $1.2 billion and Martell Cognac for $372 million, Seagram assumed the marketing and distribution rights this year to Wyborowa Vodka of Poland, as well as other Polish vodkas.

The company through its U.S. marketing arm, Jos. E. Seagram & Sons, plans to re-enter the growing $450 million vodka category at the beginning of 1990 with the premium product. It will compete against category leader Absolut, from Carillon Importers and No. 2 Monsieur Henri Wines' Stolichnaya import. While Seagram discontinued its Seagram's Imported Vodka, imported vodka sales industrywide grew by 20% in 1988, at the same time the total liquor market continued its decline, down 3.3% in the U.S. last year.

In March 1989, Seagram acquired for $15 million American Natural Beverage Corp., makers of Soho Natural Sodas, sparkling soft drinks.

Tropicana, spending $20 million in measured media, according to LNA/Arbitron, launched its "Great Tastes of Tropicana" aimed at broadening the consumption of juice from summer to year-round. The company also put $8 million behind its roll-out of fruit juice-based "Twisters" beverage, sold in supermarkets.

Pure Premium chilled ready-to-serve orange juice remains Tropicana's top seller, leading the category with a 26.8% share to Coca-Cola Minute Maid's 17.7% and 9.8% for Procter & Gamble's Citrus Hill. The frozen and ready-to-serve orange juice received over $25 million in measured media expenditures.

Seagram this January also paid Brown-Forman Corp. $36 million for the U.S. marketing rights to Martell cognac. DDB Needham Worldwide, New York, won the worldwide $25 million-to-$30 million Martell account. Martell is the world's second largest-selling cognac with 18% of the 93 million-case global market, according to London-based *Impact International*. Hennessey leads with 24%.

Seagram sold 17 of its non-core distilled spirits brands in March to two companies, Sazerac Co., New Orleans, former importer of Wyborowa vodka and Heaven Hill Distilleries Inc., Bardstown, Ky. The largest-selling brands sold were Crown Russe Vodka, Nikolai Vodka and Burnett's Gin. The departing brands accounted for about half of Seagram's brands in the U.S., but contributed only 8% of unit sales and 4% of operating profits.

Seagram's 7 Crown, once the largest-selling liquor in the U.S., was third last year at 4.65 million cases, behind Bacardi Rum and second-ranked Smirnoff Vodka, according to *Impact* It remained Seagram's biggest seller, amassing a 2.7% share of total market, up from 2.6% in the prior year. 7 Crown and Seagram's Gin each received about $4.5 million in measured media. Spending on Seagram's VO dropped from that level in 1987 to $2.5 million.

Coolers continued to evade consumer interest, although Seagram Cooler led the category with a 33.5% share. The Seagram cooler line received $28 million measured support. Seagrams and E&J Gallo (Bartles & Jaymes) command two-thirds of the cooler market.

Edgar Bronfman Jr., 33, was named president of Seagram, succeeding David G. Sacks who became vice-chairman. The Bronfman family holds a 38.5% interest in publicly-held Seagram.

SEAGRAM CO.
1430 Peel St.
Montreal, Quebec
Canada H3A 1S9

Jos. E. Seagrams & Sons
375 Park Ave.
New York, N.Y. 10152
(212) 572-7000

Corporate personnel: Edgar M. Bronfman, chmn-ceo; Charles R. Bronfman, co-chmn; David G. Sacks, vice chmn; Edgar Bronfman Jr., president-ceo; Richard K. Goeltz, exec vp-finance; Jeananne K. Hauswald, treasurer; Michael C. L. Hallows, secretary; Stephen E. Herbits, exec vp-corp policy & external affairs; M. Jacqueline McCurdy, vp-state & industry relations; Stephen Koplan, vp-govt affairs; Daniel R. Paladino, vp-corp planning & analysis; Arthur S. Margolis, vp-special asst to the office of chmn & president; Edward Falkenberg, vp-controller; William K. Friedman, vp-corp affairs.

Seagram USA
New York

Corporate personnel: William G. Pearson, president; Dr. Leslie Blahen, vp-rsch; Dr. William E. Riha, vp-rsch & devel.

House of Seagram
New York

Corporate personnel: Jerome S. Mann, president; Martin Bart, exec vp-sales; Stephen J. Kalagher, exec vp-finance & admin; Edward P. Cohen, vp, operations; Andrew Harman, vp-sales svcs; Gilbert Schneider, vp, finance; Lawrence J. Weiss, vp-nat'l acct sales; Barbara S. Rakv, vp-business devel.

Marketing personnel: Thomas K. McInerney, exec vp-mktg; Arthur Shapiro, vp-group mktg dir, new prods; Ellice Matsil, vp-mkt rsch & planning; Alan Goldin, vp-media; Carl E. Horton, vp-group mktg dir, white goods; Peter J. Meola, vp-group mktg dir, scotch/imports; Angelo Vassallo, vp-group mktg dir, N. American whiskies; Richard McCarthy, vp-group mktg dir, multi-brand coord, perennial; Richard P. Shaw, vp, dir-mktg.

Seagram Beverage Co.
(part of House of Seagram)

Corporate personnel: C. Richard Coffey, president; John R. Preston, exec vp-finance & admin; Vincent R. Patridge, vp-merch; Robert O'Dowd, vp, dir-sales svcs.

Marketing personnel: Mark Taxel, exec vp-mktg; Henry Hawley, vp, dir-mktg, beverage alcohol prods & new prod devel; Robert Berger, vp, dir-mktg, non-alcoholic beverages.

Seagram Classic Wine Co.

Corporate personnel: Samuel Bronfman II, president; Michael Harbison, exec vp-finance & admin; John Esposito, vp-natl sales mgr; Chester Hutchinson, dir, human resources; Thomas Cary Gott, exec vp, Winemaster-The Monterey Vineyard; Thomas Ferrell, president, Sterling Vineyards; Guy Devaux, exec vp-genl mgr, Domaine Mumm Winery.

Marketing personnel: James L. Bareuther, exec vp-sales & mktg; Louis Keyes, dir-mktg.

Seagram Chateau & Estate Wines Co.

Corporate personnel: Abdallah H. Simon, chmn; David S. Milligan, president; Maurice Lartigau, sr vp, Metro NY; John Laird, vp-sales, eastern, southern & central divs; David Schnell, vp, central div; David Waldenberg, vp, finance & admin; Brigitte Plummer, vp-sales mgr, western states.

Marketing personnel: George Sandeman, vp-mktg.

Brands/services by agency of record:

Soho natural beverages

Ad agency: Chiat/Day/Mojo, New York: Steve Friedman, group mgmt super.

■

Captain Morgan Rum
Chivas Regal
Crown Royal
Leroux cordials
Lord Calvert Canadian
Martell Cognacs
Mumm VSOP Cognac
Myers' Rum
Royal Salute
Seagram International
Wyborowa Vodka

Ad agency: DDB Needham Worldwide, New York: Mark Abrams, sr vp-mgmt super; Thom Dean, Chris Abelt, Ardean Fishman, acct supers; Barbara Callahan, Laurel Wyner, Adam Rosman, acct execs.

■

Natl acct sales for food service

Ad agency: Food Group, New York: Donald Axleroad, president; Philip Pearlman, creative dir; Richard Vetter, media dir; Jo Anne Maloney, acct super; Jane Matthews, acct exec.

■

Bandiera
Barton & Guestier (B&G) Wines
Catellod Albola Wines
Charles Krug Wines
C. K. Mondavi
Kayser
Mirassou Vineyards
The Monterey Vineyard
Domaine Mumm Sparkling Wine
Sterling Vineyards

Ad agency: Grey Advertising, San Francisco: Tom Banks, vp-mgmt super; Alan Abrams, vp-acct super; Ellen Rosenstein, sr acct exec.

■

Ethnic adv for various brands

Ad agency: Mingo Group, New York: Bill McGugins, vp-mgmt super; Cliff Ruffins, acct super.

■

Boodles Gin
Canadian Hunter
Seagram's Gin
Seagram Wine Coolers
7 Crown
The Glenlivet
Seagram's VO

Ad agency: Ogilvy & Mather, New York: Donald Blashford, vp-mgmt super; Jack Reed, group dir; Anthony Nieves, Young Sun, acct mgrs.

■

New prods

Ad agency: Pedone & Partners, New York: James Coakley, acct super.

■

Herradura Tequila
Jameson Premium Irish Whiskey
New prods

Ad agency: Wells, Rich, Greene, New York: Chris Hansen, exec vp-acct group head; Cary Raffle, vp-mgmt super.

Tropicana Products
Bradenton, Fla.

Corporate personnel: Robert Soran, president.

Marketing personnel: Peter Reijula, dir-mktg.

Brands/services by agency of record:

Tropicana Galop
Homestyle
Pure Premium
Twister

Ad agency: Leo Burnett USA, Chicago: Michael Hall, acct dir; Bob Key, Jan Anderson, acct supers.

■

New prods

Ad agency: DDB Needham Worldwide, New York: Mark Abrams, sr vp-mgmt super; Thom Dean, acct super; Adam Rosman acct exec.

RANK
4

Sears, Roebuck & Co.

Chicago
ADVERTISING: $1,045.2 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	50,251	45,904	9.5
Earnings	1,454	1,633	(11.0)
■ Division sales	**1988**	**1987**	**% chg**
Sears Merchandise Group	30,256	28,085	7.7
Allstate Insurance Group	14,924	13,055	14.3
Dean Witter Financial Services	3,758	3,446	9.1
Coldwell Banker Real Estate	1,444	1,399	3.2

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	%chg
Magazine	33,373	21,608	54.4
Newsp supp	1,602	6,411	(75.0)
Newspaper	160,909	175,052	(8.0)
Outdoor	804	775	3.8
Network TV	97,361	89,973	8.2
Spot TV	24,542	25,707	(4.6)
Synd TV	1,741	4,767	(63.5)
Network Cable	4,651	2,327	99.8
Network radio	67,612	52,701	28.3
Spot radio	25,431	21,211	19.9
Measured	418,085	400,592	4.4
Unmeasured	627,100	600,900	4.4
Total	1,045,185	1,001,492	4.4

Responding to mounting investor pressure to improve its sagging profits, Sears, Roebuck & Co. has undertaken a series of dramatic changes.

The nation's largest retailer in late October 1988 launched a major restructuring that shook up its entire organization, aimed at cutting costs, centralizing operations and revitalizing its sprawling Merchandise Group.

The overhaul demanded that the company put its headquarters Sears Tower up for sale while it sought a cheaper, suburban location for its Merchandise Group; that it pare personnel by closing numerous field offices and sell its Coldwell Banker Commercial Real Estate Group.

But the most radical change was Sears' company-wide switch to a new "every-day low price" merchandising strategy on March 1, 1989, which ended its decades-old policy of holding weekly sales on certain merchandise.

To introduce the new policy, Sears staged a huge, national "grand re-opening" of its stores, which was supported by a series of network TV spots via Ogilvy & Mather, Chicago. The network TV-and-print ad push in March was the biggest in its history, continuing the theme O&M created in 1988: "Your money's worth and a whole lot more."

The move to "every-day low pricing" mirrored the strategies of rivals K mart and Wal-Mart, which—along with discounters—have undercut Sears' profits in recent years. Its new strategy also includes a new emphasis on national brand-name merchandise, led by the national rollout of Sears' new Brand Central electronics and appliance superstore departments inside its stores.

In addition to Brand Central, Sears has added more "power formats" carrying national brands alongside its own private label brands in departments including hardware, lawn & garden, apparel and automotive supplies.

Sears opened a downsized version of its larger department stores, called Sears Ltd., in Chicago this year.

The company also stepped up its network TV advertising in 1989 and increased its sweepstakes and promotions, by holding a lottery-style sweepstakes promotion tied to its customers' SearsCharge numbers; in September it launched its first-ever network TV tie-in promotion with NBC.

Behind the scenes, Sears slashed costs by centralizing advertising at its headquarters, and closing dozens of field offices. Its cost-cutting plan also called for a major shift in its newspaper ad contracts, which it set in motion by gaining a single ad rate from Gannett Co., the nation's largest newspaper chain.

Sears' retail operations accounted for $282.6 million in measured media in 1988, a slight increase of 2.2% despite a sizable drop of 8.9% to about $155 million for its major ad medium, national newspapers, according to LNA/Arbitron.

Sears' Allstate Insurance was profitable again in 1988 and extremely active in advertising, spending $50.3 million in measured advertising, up 74%, according to LNA/Arbitron.

In 1989 it broke more emotionally appealing new TV spots for its life insurance, via Leo Burnett USA, Chicago, which has handled its account for over 30 years.

Dean Witter Financial Services Group said its Discover credit card was solidly profitable in 1988, although earnings from its retail brokerage operations were down due to economic shifts. Discover continued to air network TV spots created in 1988 via DDB Needham, Chicago, themed: "It pays to discover." Measured spending on the card slipped 16.2% to $31.1 million in 1988, according to LNA/Arbitron.

In May 1989, Dean Witter Reynolds broke the first advertising via new agency Leo Burnett USA, which won its $10 million account in 1988.

The brokerage aspect of the business drew $4.6 million in measured spending, down from $13.5 million in 1987, according to LNA/Arbitron.

SEARS, ROEBUCK & CO.
Sears Tower
Chicago, Ill. 60684
(312) 875-2500

Sears Merchandise Group
Chicago

Marketing personnel: Michael Bozic, chmn-ceo, Merchandise Group; Matthew A. Howard, sr exec vp, home appliances, home improvement & automotive; G Joseph Reddington, sr exec vp, chief admin officer; Eric D. Saunders, sr exec vp, wearing apparel & home fashions; Allan B. Stewart, sr exec vp, retail store operations; Thomas E. Morris, vp-mktg; Alfred G. Goldstein, president, Sears Specialty Merchandising; Ralph Hoch, natl retail mktg mgr; S. Scott Harding, natl adv mgr; Everett L. Buckardt, exec vp, catalog & direct mktg operations; Vern L. Page, vp, catalog merch; A. Thomas Royal, natl mgr, catalog adv.

Brands/services by agency of record:

Black consumer adv

Ad agency: Vince Cullers Advertising, Chicago: Jeffrey Cullers, mgmt super.

■

Hispanic adv

Ad agency: *Mendoza, Dillon & Asociados*, Newport Beach, Calif.: Eduardo Del Rivero, sr vp-client svcs; Marta Perez, acct super.

■

Sears Merchandise Group

Ad agency: Ogilvy & Mather, Chicago: William E. Whitney Jr., exec vp, president; Bruce Beach, sr vp-mng dir; Allan Mager, sr vp-client svcs dir; Will Howard, Bruce Jasurda, sr vps-group dirs; Dan Delaney, sr vp-mgmt super; Brian Kelly, Chuck Otto, Ole Riise, Ann Rother, Jeff Totaro, vps-acct supers; Stephan Ban, acct super; Bill Barsanti, Marcy Barson, Steve Fenoglio, Kim Gryka, Tom Yorton, acct execs; Vicky Gross, acct coord.

■

Sales promo

Ad agency: Ogilvy & Mather Promotions, Chicago: James Neidorf, vp-dir; Bill McBride, vp-deputy dir; Janie Frank, Mark Schwartz, acct super.

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Lou Groza
Tom Fears
Willie Brown

Music
Duran Duran
Buddy Holly
Ritchie Valens
J.P. ("Big Bopper") Richardson
Hank Williams, Sr.

Historical
Mel Fisher
Will Rogers
Mark Twain

Corporate
Amateur Athletic Union (AAU)
Ciba-Geigy
Hollywood "Walk of Fame"

Olympian
Jesse Owens
Johnny Weissmuller

Boxing
Joe Louis
Rocky Marciano

Baseball
Babe Ruth
Lou Gehrig
Roberto Clemente
Ty Cobb
Mickey Cochrane
Grover Cleveland Alexander
Satchel Paige
Lefty Gomez
Lefty Grove
Gil Hodges
Ralph Kiner
Johnny Mize
Monte Irvin
Jimmy Foxx
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Cy Young
Bob Feller
Whitey Ford
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Mel Ott

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NEW YORK CITY, NY 10017

GARDNER ASSOCIATES

Sears Business Centers

Ad agency: Barkley & Evergreen, Shawnee Mission, Kan.: Mark Pfefferkorn, group super; Kim Rogers, sr acct exec.

Sears Financial Network
Chicago

Marketing personnel: Charles Hughes, mktg mgr.

Brand/services by agency of record:

Sears Financial Network

Ad agency: Rapp Collins Marcoa, Chicago: Camille Thiele, vp-acct super.

Allstate Insurance Group
Northbrook, Ill.

Corporate personnel: Wayne E. Hedien, chmn-ceo; John K. O'Loughlin, sr exec vp-corp mktg devel planning; Lawrence H. Williford, sr vp-corp relations; David B. Winn, sr vp-prod admin; John J. Flieder, vp, personal property & casualty, prod adv & agent support.

Marketing personnel: Terre Tuzzolino, asst vp-corp adv; Ken Zarzynski, adv dir; Cynthia Farrow-Miller, Ginny Clark, adv mgrs; Ellen Steele, sr mktg project mgr.

Brands/services by agency of record:

Allstate Insurance

Ad agency: Leo Burnett USA, Chicago: Ron Sims, vp-acct dir; Jim McNitt, vp-acct super; Collette Heaphy, Catherine David, David Barnes, acct execs.

Coldwell Banker Real Estate Group
Chicago

Marketing personnel: Kristine Sandrick, vp-corp comm.

Coldwell Banker Residential Group
Newport Beach, Calif.

Marketing personnel: G. Lane Barnett, first vp, dir-prod devel & mktg; Jack Hull, first vp-mktg comm; Sherri Sprecher, natl adv dir.

Brands/services by agency of record:

Coldwell Bankers

Ad agency: BBDO, Los Angeles; Nancy Budd, sr vp-mgmt super; Brian McMahon, acct super; Tracey Athanassiadis, sr acct exec; Desiree Vierra, asst acct exec; Tammi Crekorian, admin asst.

Dean Witter Financial Services Group
New York

Marketing personnel: Richard F. Powers, exec vp, dir-mktg; William Walsh, vp, dir-adv; Ernest Camp, dir-adv, Discover Card Services; William Hodges, sr vp-chief mktg officer, Discover Card.

Brands/services by agency of record:

Dean Witter brokerage-dealer

Ad agency: Leo Burnett USA, Chicago: Bill Boris, exec vp-client svcs dir; Bill Whitman, vp-acct dir; Mike Fogel, acct super.

■

Discover Card svcs

Ad agency: DDB Needham Worldwide, Chicago: Joel Hochberg, president; Ray Gillette, group acct dir; Charlie Austin, mgmt rep; Brooke Chapman, Kathy Kneip, acct execs.

RANK **39**

SmithKline Beecham

London
ADVERTISING: $264.2 MILLION

Sales & earnings
($ in millions)

■ Division sales	1988	1987	% chg
Therapeutics	2,541	2,640	(3.7)
Eye, skin care	756	554	36.5
Beckman Instruments	770	691	11.4
Clinical lab svcs	675	431	56.7

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	10,546	4,786	120.4
Newsp supp	346	186	86.2
Newspaper	3,910	81	4,721.2
Outdoor	232	65	255.3
Network TV	93,651	81,756	14.5
Spot TV	8,526	11,132	(23.4)
Synd TV	17,851	15,260	17.0
Network Cable	2,839	2,388	18.9
Network radio	3,574	3,084	15.9
Spot radio	886	133	566.2
Farm pub	1,537	1,137	35.2
Measured	143,899	120,008	19.9
Unmeasured	120,300	100,300	19.9
Total	264,199	220,308	19.9

SmithKline Beecham is now the third largest pharmaceutical company in the world following the merger in July 1989 of SmithKline Beckman Corp., Philadelphia, and Beecham Group PLC, London.

The combined company's annual revenues of $6.7 billion are surpassed only by Merck & Co. and Bristol-Myers Squibb, which will move into second place this October when its merger is finalized, producing a company with $8.6 billion in sales.

Prior to the merger, a change of ownership had been anticipated in the pharmaceutical industry for SmithKline after it generated only $55 million in operating profit in 1988 on sales of $3.22 billion, down 7%. Its future also was clouded because it had yet to find a drug to match the sales of Tagamet, that recently lost its rating as the world's best-selling anti-ulcer drug to Glaxo PLC's Zantac. Tagamet's patent protection also expires in 1992 in Europe and in 1994 in the U.S.

The company had begun restructuring—eliminating more than 1,600 jobs in 1988—long before talks of a merger surfaced. It had spun off its Beckman Instruments division, while offering 16% of the stock to the public.

Beecham had ended 1988 more positively, earning $69 million on $3.5 billion in sales, up 14.3%. In recent years, a strong marketing focus has yielded sales gains in the U.S. for its Amoxil, Augmentin and Timentin antibiotics as well as Tums, Sucrets, Geritol and Aqua-Fresh toothpaste. In August 1988, Beecham sold off its trouble-plagued Beecham cosmetics unit, based in Chicago, for approximately $91.5 million.

The new company will be headquartered in London, with Robert Bauman, former Beecham executive chairman, serving as chief executive of the combined companies. SmithKline's former Chairman-CEO Henry Wendt will serve as chairman, based in Philadelphia.

Analysts predict the synergy between the two companies can produce cost savings. A joint sales force of 1,900 in the U.S. alone should achieve greater sales for SmithKline Beecham ethical drugs since the market shows that doctors are more likely to prescribe a company's drugs when in regular contact with the company.

The same sales force will be able to tap the U.S. market for Beecham's antibiotics beyond their main distribution base of the U.K. and Europe.

As part of the transaction, SmithKline spun off Allergan Inc., an eyecare subsidiary based in Irvine, Calif., to shareholders. The company also sold its remaining 84% stake in Beckman Instruments to its shareholders. Beecham agreed to sell off its U.K. and European cosmetics businesses, Yardley, Margaret Astor and Lancaster, which last year had sales of roughly $700 million.

The remainder of 1989 will be devoted to the internal meshing of the company's operations. It is anticipated that SmithKline's OTC brands, which have annual sales of about $200 million, would be consolidated with Pittsburgh-based Beecham Consumer Products. A company spokesman said Philadelphia will likely remain headquarters for the pharmaceutical business, as well as serving as SmithKline Beecham's U.S. base.

Brands likely to be consolidated with Beecham Consumer Products include Contac and Ecotrin. Contac, the fifth-largest selling U.S. cold remedy, was promoted with $13 million in measured media spending in 1988, according to LNA/Arbitron.

There were few agency conflicts as a result of the merger. BBDO, which has the $15 million Contac account, could possibly be odd man out since it handles only one brand for the new OTC conglomerate. Beecham and SmithKline both use Jordan, McGrath, Case & Taylor for OTC advertising.

Earlier in 1989 Beecham completed the consolidation of Norcliff-Thayer brands, including Tums, Oxy, Orafix and Liquiprin, acquired in 1985, into Beecham Consumer Products. This brings two category leaders under the Beecham banner—Tums antacid tablets with 27% market share and Oxy acne medication brands, No. 1, ahead of Sterling Drug's Stri-Dex pads and Clearasil. Line extensions include a new Tums E-X Antacid, which was supported with $4.8 million in measured spending in 1988, and a Tums Liquid Antacid at $5.5 million, according to LNA/Arbitron.

Massengill feminine hygiene products were extended with the rollout of Massengill soft cloth towelettes, which were supported with $4 million in measured media. N'Ice sugarless cold lozenges, including N'Ice cold spray and N'Ice Children's Lozenges, got new formulations.

Beecham in 1985 pioneered the idea of a children's formulation for toothpaste with Aqua-Fresh. That launch has helped boost Beecham to more than 11% of the $1.2 billion dentifrice category. Overall brand spending for Aqua-Fresh rose 32% over 1987 levels, in part because of a $13.3 million spending push for the rollout of its tartar control toothpaste. The toothpaste is SmithKline Beecham's largest-selling consumer brand worldwide.

The advertising for several tartar control toothpastes drew fire from the Food & Drug Administration for their claims. Ironically, the FDA warning is at odds with standards established by the American Dental Association's Council on Dental Therapeutics, which grants the ADA's seal of acceptance. Toothpastes such as Aqua-Fresh, which carry the seal, would lose such approval if they complied with FDA requests.

During 1988, Beecham ended its U.S. cosmetics venture by selling its Beecham Cosmetics business back to a management group and Banker's Trust Co.

SMITHKLINE BEECHAM
Beecham House, Brentford
Middlesex TW8 9BD
United Kingdom

SmithKline Beecham
One Franklin Plaza
Philadelphia, Pa. 19101
(215) 751-4000

Corporate personnel: Robert Bauman, ceo; Henry Wendt, chmn.

SmithKline Beecham
Consumer Products
Philadelphia

Corporate personnel: William E. Learnard, president.

Marketing personnel: Lawrence D. White, vp-mktg & sales; Greg L. Kearl, vp-sales.

Brands/services by agency of record:

Ecotrin
Sine-Off

Ad agency: Jordan, McGrath, Case & Taylor, New York: David Hauer, vp-mgmt super; Shelly Sharkey, acct super.

■

Aqua Care
Clear-by-Design
Contac
Vital Eyes

Ad agency: BBDO, New York: David Seal, mgr-acct rep.

■

Feosol

Ad agency: Lavey/Wolff/Swift, New York: Eric Malter, acct super.

SmithKline Bio-Science Laboratories
King of Prussia, Pa.

Corporate personnel: Harry C. Groome, president.

Marketing personnel: Richard [illegible]ovak, vp-sales & mktg; Carla Carter, vp-mktg.

Brands/services by agency of record:

SmithKline Bio-Science Laboratories

Ad agency: Phillips Agency, Horsham, Pa.: Kathleen Phillips, president.

Smith Kline & French Laboratories
Philadelphia

Corporate personnel: Frederick W. Kyle, president, US Pharmaceuticals.

Marketing personnel: Roger A. Ross, vp-mktg, US.

Brands/services by agency of record:

Smith Kline & French Laboratories

Ad agency: Salthouse Torre Norton, Rutheford, N.J.: Barbara Falco, Howard Laskau, vps-acct supers.

Animal Health Products
West Chester, Pa.

Corporate personnel: Norman Blanchard, president.

Marketing personnel: Dr. Duane E. Thurman, genl mgr, US & Canada; Gerald Myers, dir-sales.

Brands/services by agency of record:

Animal Health prods

Ad agency: Marketing & Creative Support Services, St. Joseph, Mo.: Kenneth Shearin, creative mgr-mktg mgr.

Norden Laboratories
Lincoln, Neb.

Corporate personnel: Dr. J.I.H. Phillip, president.

Marketing personnel: Jerry Judt, vp-sales & mktg.

Brands/services by agency of record:

Norden Laboratories

Ad agency: Colle & McVoy, Minneapolis: Jim Trevis, Steve Bercham, acct execs.

Beecham Products USA
Pittsburgh

Marketing personnel: Gordon J. McLaren, sr vp-mktg; Douglas B. Cox, vp, toiletries & household; Paul J. Fraioli, vp, health care; Maurice L. Kelley, vp-mkt svcs & professional relations; Warren C. Siddal, dir-media.

Brands/services by agency of record:

Aqua-Fresh
Aqua Velva
Calgon Bath
Geritol
Massengil
Sucrets
Vivarin

Ad agency: Grey Advertising, New York: Robert Burruss, exec vp; Richard Krain, vp-group mgmt super; Matt DeSimone, Ken Brown, Allison Bailey, vps-mgmt supers.

■

Calgon Water Softener
Cling Free
Fruit-Fresh
Lectric Shave
N'ice
Sominex
Sominex Pain Relief Formula

Ad agency: Ogilvy & Mather, New York: Neve Savage, sr vp-group dir; Karen Green, mgmt super.

■

Tums
Oxy
Orafix

Ad agency: Jordan, McGrath, Case & Taylor, New York: Stephen Badenhop, sr vp-acct svcs; Shelly Sharkey, acct super, Tums; Girard Smith, acct exec, Tums; Katie Ryan, mgmt super, Oxy; Angela Rella, acct exec, Oxy; Sylvia Rodreguez, sr vp-media dir; Malcolm MacDougall, chmn-creative; Gene Case, exec vp-creative.

■

A-200
Esoterica
Liquiprin
No Salt

Ad agency: Carrafiello, Diehl & Associates, Irvington, N.Y.: Robert C. Brandt, exec vp-acct super; John Muhlfeld, vp-group acct super.

Beecham Laboratories
Bristol, Tenn.

Corporate personnel: Ted G. Wood, exec vp-sales & mktg.

Marketing personnel: Edwin Christensen, vp-sales; Robert L. Widerkeher, vp, animal health div; Jon Kaeuper, vp-mktg; Michael R. Hilton, dir-pr & comm.

Brands/services by agency of record:

Augmentin
Injectable antibiotics
Nucofed
Oral antistaph
Timentin

Ad agency: Frank J. Corbett Inc., Chicago: Jim Miller, exec vp; Bill Marotti, vp; Ken Stevens, acct super.

■

Veterinary pharmaceuticals

Ad agency: Charles Tombras Advertising, Knoxville: John Welsh, Guy Seymour, acct execs.

■

Amoxil
Anexsia-D
Fastin
Injectable antibiotics
Ticar
Tigan

Ad agency: Trunk, Shea & McCaffrey, Clifton, N.J.: dePaul R. Trunk, president; Thomas Shea, vp.

RANK **81**

Sony Corp.

Tokyo
ADVERTISING: $125.9 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	16,252	11,782	37.9
Earnings	549	282	94.6
■ U.S.	**1988**	**1987**	**% chg**
Sales	5,461	3,409	60.2
■ Division sales	**1988**	**1987**	**% chg**
Video equipment	4,345	3,417	27.1
Audio equipment	4,248	3,632	17.0
Televisions	2,580	2,380	8.4
Other products	2,493	2,049	21.6
Records	2,577	294	776.3

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	%chg
Magazine	41,771	31,862	31.1
Newsp supp	18,243	15,502	17.7
Newspaper	3,321	4,036	(17.7)
Outdoor	29	16	78.9
Network TV	6,582	1,543	326.7
Spot TV	3,519	3,576	(1.6)
Synd TV	395	123	220.1
Network Cable	1,068	1,170	(8.7)
Network radio	413	241	71.6
Spot radio	188	390	(51.8)
Measured	75,528	58,459	29.2
Unmeasured	50,400	39,000	29.2
Total	125,928	97,459	29.2

Sony Corp.'s big move last year was the purchase of CBS Records, giving it worldwide rights to labels like Epic, CBS Masterworks and Columbia among others, and the related Columbia House marketing arm.

Despite Sony's increased and highly visible spending on consumer electronics products and its growing step into feature films, CBS Records, and more specifically Columbia House, generates the majority of Sony's U.S. ad spending.

Columbia House uses direct response marketing through magazines, FSIs, TV and direct mail to sell records, CDs and videos under a variety of clubs. That marketing has changed little since Sony's purchase of CBS Records from CBS Inc.

CBS and Columbia brands, from clubs to compact discs, spent $53.2 million in measured media, up 10.4% from 1987, according to LNA/Arbitron.

In one of the bigger media shifts in the past year, the CBS Video Club switched from using both TV and print to virtually all TV. Wunderman Worldwide, New York, handles Columbia House media advertising, while Columbia House uses in-house staff for direct mail.

CBS Records, which is the second largest record seller in the U.S. (behind Time Warner's WEA), has seen its market share of top albums decline sharply in the past year. *Billboard* magazine recently reported that in the first half of this year CBS Records' share dropped to 14.2% from 18.2% in the same period of 1988 for popular albums, to 12.4% from 18.2% for black albums and to 19.3% from 19.7% for country.

CBS Records has responded by seeking more alternative artists and turning to more niche market segments and less general circulation advertising, though market plans vary considerably by group. Advertising also has turned away from the hard sell. While CDs, records and cassettes remain CBS Records' mainstay, sales of music videos are growing.

Another Sony Corp. unit, SVS Corp. (formerly Sony Video Software) is growing, though still a small player in films. In a move that may offer a vision of its parent's future, SVS has expanded production of its own films. SVS originally distributed film videos and also bought theater rights to some. There are rumors Sony is looking to buy a major film studio.

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Now that it is increasingly entering the movie production business, Sony is upgrading the marketing budget for its films, which previously were advertised regionally. SVS expects to have at least six films out in the next year and to launch its first national advertising. Among the films: "An Unremarkable Life," starring Patricia Neal and Shelley Winters, and "Best of the Best" starring Eric Roberts and James L. Jones. SVS continues to distribute videos, some through an agreement with Showtime.

Sony Corp. of America, once Sony's only U.S. subsidiary, spent the past year marketing and expanding existing lines rather than introducing new ones. The only exceptions were the introduction of the TR-5, a tiny, hand-sized video camera, and the launch of a single-frame electronic camera called Mavica.

The lull in new technology will not last long. Sony is readying major new audio products and may enter the home office market within months. It also reportedly hasn't ruled out getting into the cellular phone business.

Sony has upped its ad budget 20%, done some major alteration of its advertising and also shuffled its agency lineup. In the new lineup, Sony no longer splits products with one agency handling TV and another print. McCann-Erickson, New York, which at one point handled almost all Sony Corp. of America products, remains a Sony agency but early this month lost agency of record designation to Geer, DuBois, New York. It also lost Trinitron and other video products to Slater Hanft Martin, New York. McCann, however, still handles Sony's biggest single campaign for the HandyCam products and also handles Sony videotapes.

SHM now has most Sony consumer electronics products except for My First Sony, Mavica and Sony's Sports Video, all handled by Burkhardt & Christy, New York. Geer, DuBois, which is taking over media buying, continues to handle Sony's broadcast professional products.

Sony's new creative, debuting this fall, returns to a more light-hearted approach that was a hallmark of Sony's early campaigns.

Sony will support most heavily its TV line, a new audio product, its camcorders, and its line of Personal Videos that include a recorder player and a TV in a tape recorder-sized package. To bolster sales of the compact Personal Videos which use 8mm tapes rather than the normal larger VHS, Sony in August joined with Musicland to promote movies on 8mm in some locations.

Sony TVs last year were the third best-selling brand with 6.5% of U.S. TV sales, up from 6.0% in 1987, according to *Television Digest*. Sony's share of the VCR market was 2.0%, down from 2.5%. Sony has expanded its move from the Beta VCRs it developed to the industry-standard VHS system.

SONY CORP.
7-35 Kitashinagawa 6-chrome
Shinagawa-ku, Tokyo, 141, Japan

Sony USA Corp.
9 W. 57th Ave.
New York, N.Y. 100019
(212) 371-5800
CBS Records
New York
Record Division

Marketing personnel: Tom Mottola, president, CBS Records; Don Ienner, president, Columbia; David Glew, president, Epic; Paul Smith, president, CBS Records distribution; Arnold Levine, vp-creative svcs; Carol Lee Shepard, vp-adv & design.

Brands/services by agency of record:

Epic
Columbia
CBS Masterworks

Ad agency: (In house): Carol Lee Shepard, vp-adv & design.

Columbia House division

Marketing personnel: Cornelius F. Keating, sr vp, group dir-mktg; Richard Wolter, president; Columbia record, tapes, compact disc clubs; Sharon Kuroki, vp-music club mktg; Brian Wood, vp, video club; Harry Elias, vp, CBS Video Library; Richard Capossela, dir, video club mktg.

Brands/services by agency of record:

CBS Compact Disc Club
CBS Video Club
Columbia Records & Tape Club

Ad agency: Wunderman Worldwide/Y&R, New York: Peter Raber, mng super-group dir; Marie Claire Hepp, acct super, Columbia tape, records, CDs; Ann Friedman-Ryan, acct exec, CBS video club; Adrienne Wax, mng super, CBS video libraries; Grace Fallon, acct super, CBS video; Lisa Arkovitz, acct exec, CBS video.

SVS Inc.
New York

Marketing personnel: Teresa Bauer, theatrical mktg mgr; Steve Brecker, mkt mgr, home video; Loris Kramer, mkt devel mgr, childrens, instructional.

Brands/services by agency of record:

SVS films
Sony Home Video

Ad agency: (In house): Teresa Bauer, theatrical mktg mgr; Steve Brecker, mkt mgr, home video; Loris Kramer, mktg devel mgr, childrens, instructional.

Sony Corp. of America
Park Ridge, N.J.

Marketing personnel: Jeff Brooks, sr vp-adv & promo; Bob Basso, dir-corp adv; Larry Barruch, vp-consumer adv; Scott Westover, dir-business & professional adv; Janice Brihaupt, mgr, magnetic prods.

Brands/services by agency of record:

Professional prods

Ad agency: Geer, DuBois, New York: Steve Farricker, vp; Amit Atlas, acct exec.

■

Magnetic prods
HandyCam

Ad agency: McCann-Erickson, New York: Doug Wise, mgmt rep; Carol Cinnamon, acct super.

■

Trinitron
Watchman
Videoscope projection TVs
Walkman
E.S.
HiFi prods
Auto & mobile
Sony phones
Personal Video
TR-5 HandyCam
Business-to-business

Ad agency: Slater Hanft Martin, New York: Allan Cohen, sr vp-mng super; Adam Hanft, president; Mike Stafford, Kevin Scully, vps-acct super.

■

Sports Video Systems
Mavica
My First Sony

Ad agency: Burkhardt & Christy, New York: Ron Burkhardt, president; Joel Fineman, mng super; Heidi Gage-Jenkins, acct super.

RANK
84

Levi Strauss & Co.

San Francisco
ADVERTISING: **$123.1 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	3,100	NA	NA
Earnings	112	NA	NA

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,975	6,387	(6.4)
Newsp supp	37	0	NA
Newspaper	0	122	NA
Outdoor	77	29	168.1
Network TV	27,922	15,477	80.4
Spot TV	5,488	4,709	16.5
Synd TV	4,008	3,413	17.4
Network Cable	7,055	3,816	84.9
Network radio	472	697	(32.3)
Spot radio	101	2,013	(95.0)
Farm pub	171	150	14.0
Measured	51,307	36,813	39.4
Unmeasured	71,800	51,500	39.4
Total	123,107	88,313	39.4

Like a pair of its sturdy jeans fresh from the wash, Levi Strauss & Co. is wearing well in the apparel marketplace.

Buoyed by the spectacular success of its Dockers line, Levi Strauss is transforming itself into a casual fashion house instead of simply a jeans manufacturer.

Dockers, introduced just three years ago, is a collection of casual pants intended for aging baby boomers. Larger around the middle, they are designed a notch above jeans in dressiness.

Levi's plans expansion of Dockers into sportswear for men, women and children. Dockers will grow to include shorts, shirts and outerwear. The push is expected to elevate Dockers sales to over $500 million in 1989, up dramatically from $118 million in 1988.

The Dockers experience is a far cry from Levi's previous attempts to offset slowing jeans sales. Jeans sales peaked in the U.S. in 1981 at 516 million pairs but dropped by almost 25% to 396 million pairs by 1988, researchers said.

Levi's at first tried to spur sales by creating its Battery Street Enterprises unit which included partnerships with designers like Perry Ellis. The mix was too far afield from jeans and, as a result, the Haas family, descendants of the immigrant who sold canvas pants, took the company private through a leveraged buyout.

President Bob Haas said he wanted to do what needed to be done without the glaring eye of Wall Street over his shoulder. He appears to have succeeded. "This time, [Levi's] kept within the boundaries of what it does best, and what the customer knows best," said Colton Bernard, a San Francisco retail consultant.

Levi's and VF each hold about a quarter of the jeans market. VF added to its Lee brand Wrangler and Rustler jeans with the 1986 buyout of Blue Bell Holdings. Smaller companies share the remainder of the market.

Levi's embarked on an internal cost cutting program, closing factories and reducing staff while at the same time boosting its ad campaign. Its Levi's 501 blues campaign ran for five years using blues music to sell the popular jeans with the buttonfly.

Although 501 sales doubled during the five years of the campaign, sales began to slip last year to 37 million pairs from 41 million in 1987. This year, Levi's altered the 501 blues campaign to use a personal, unscripted, stream of consciousness dialogue instead of music.

The new Levi's 501 spots are part of a $22 million campaign. Spending for Dockers is estimated at $5 million to $10 million, while the 900 Series women's line is backed with $20 million.

LEVI STRAUSS & CO.
Levi's Plaza
P.O. Box 7215
San Francisco, Calif. 94120
(415) 544-6000

Marketing personnel: Louis Kirtman, vp-mktg; Linda Aletto, consumer mktg dir; Maureen Moriarty, consumer mktg dir, men's jeans; Julie Palley, consumer mktg dir, youthwear; Larry Ruff, sr adv mgr, men's jeans; Sandi Sullivan, Julie Klee, adv mgrs; Steve Goldstein, consumer mktg dir, menswear; Jim McCarty, sr adv mgr, menswear; John Chappell, consumer mktg dir, women's jeans; Jim Chriss, vp-mktg & sales.

Brands/services by agency of record:

Corp adv
Levi's
Brittania

Ad agency: Foote, Cone & Belding, San Francisco: Allen Jewett, Barbara Pauly, sr vps-group mgmt supers; Kate Grant, acct super, 501; Greg Riley acct super, menswear, women's wear, Brittania, corp; Mary Moudry, mgmt super; Valerie Vento, Suzanne Burton, Nikki Pope, acct execs; Susan Andres, Marcy Moriconi, asst acct execs.

■

Hispanic adv

Ad agency: Mendoza, Dillon & Asociados, Newport Beach, Calif: Eduardo del Rivero, sr vp-client svcs; Luis Casteneda, acct exec; Beatriz Corona, jr acct exec.

RANK
100

Subaru of America

Cherry Hill, N.J.
ADVERTISING: **$108.0 MILLION**

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	13,787	8,356	65.0
Newsp supp	0	119	NA
Newspaper	1,477	6,553	(77.5)
Outdoor	1	0	NA
Network TV	39,545	31,603	25.1
Spot TV	17,438	16,882	3.3
Synd TV	684	991	(31.0)
Network Cable	1,222	836	46.2
Network radio	0	2,871	NA
Spot radio	2,267	6,279	(63.9)
Measured	76,420	74,490	2.6
Unmeasured	31,600	30,800	2.6
Total	108,020	105,290	2.6

After two straight years of heavy losses in the U.S. car market, Subaru of America may be heading for a third.

In spite of innovative new entries this year, Subaru, the U.S. importer and distributor of cars made by Fuji Heavy Industries in Japan, recorded a loss its first six months of the new year as Subaru car sales remained flat at 87,088.

Total unit sales for Subaru in the U.S. were down again in 1988, dropping 11.9% to 155,954 vehicles, after a less severe 3.3% decline in 1987. Subaru's shares of the U.S. import market and total U.S. car market also were down, at 5.0% and 1.4%, respectively.

Costly rebate and incentive merchandising programs to reduce massive inventories of unsold vehicles cost the company nearly $100 million in 1987 alone. Continuation of the programs accounted for comparable expenditures last year, contributing to the losses of fiscal 1988. Incentives ran from $1,000 to $3,000 on various models. They were used basically to clear out older models. Subaru, however, expects to eliminate this merchandising expense with the launch of new and more competitive products.

In 1988, Subaru station wagons were the company's best-seller again, with sales of 65,725 units, followed by the four-door sedans at 34,397. The entry-level Justy, priced at $5,866 for the four-speed model, was the third best seller at 27,313 units, followed by the upscale XT and XT6 sports models, priced in the $13,000 to $17,000 range, at 14,077 units. All categories were down from year earlier levels.

The Justy minicar accounted for the largest share of Subaru measured advertising in 1988, with an estimated $18 million, mostly in network and spot TV. LNA/Arbitron figures put overall advertising for Subaru passenger cars at $30 million, while expenditures for Subaru station wagons, as a separate category, were over $12 million.

Spring 1989 saw the launch of the new Legacy models, Subaru's first line of compact wagons and sedans, the largest and most expensive ($12,500 to $18,000) cars it has offered. Featuring styling that closely resembles Honda's Acura Legend, the Legacy was expected to give Subaru dealers a strong competitor for the Toyota Camry, Mazda 626, Honda Accord and Nissan Sentra, and help lead the company's comeback in the U.S. market. Thus far sales of the Legacy, the only Subaru without incentives, have been lower than expected.

Subaru hopes to sell 60,000 to 80,000 Legacy models for the full 1990 calendar year—about half of expected total annual sales of 150,000 to 160,000 units.

The Legacy got the lion's share of an estimated $60 million media budget for the second and third quarters of 1989. Subaru spent $40 million in those two quarters in 1988.

During the 1989 tax season, the Subaru rebate program also made use of tax man Henry Bloch of H&R Block, to get out the word on rebates. The TV spots, which broke in February, intentionally looked like the commercials Mr. Bloch did for years for his own company.

Subaru's many sports promotion tie-ins include its use as official car of the U.S. Cycling Federation and sponsorship of a series of seven bicycle races around the country. The company's primary sports sponsorship has been as official car of the U.S. Ski Team, an involvement dating back to 1976.

SUBARU OF AMERICA
Subaru Plaza, P.O. 6000
Cherry Hill, N.J. 08034-6000
(609) 488-8500

Corporate personnel: Harvey Lamm, chmn-ceo; Tom Gibson, president-coo; Marvin Riesenbach, exec vp-cfo.

Marketing personnel: Chris Wackman, vp-mktg; Tim Parzybok, adv & merch svcs dir; Fred Heiler, pr dir.

Brands/services by agency of record:

Subaru cars

Ad agency: Levine, Huntley, Schmidt & Beaver, New York: Terry Bonaccolta, sr vp-group dir; Michael Elkisch, vp-mgmt super; Jerry Noonan, vp-acct super; Aaron Belson, acct exec; Cheri Stern, asst acct exec.

RANK
46

Tandy Corp.

Fort Worth, Texas
ADVERTISING: **$232.0 MILLION**

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	4,181	3,794	10.2
Earnings	323	316	2.2
■ U.S.	**1988**	**1987**	**% chg**
Operating income	501	452	10.9

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	9,113	10,979	(17.0)
Newsp supp	159	273	(41.8)
Newspaper	32,911	38,900	(15.4)
Outdoor	138	5	2,766.7
Network TV	32,432	34,898	(7.1)
Spot TV	2,509	360	597.6
Synd TV	118	0	NA
Network Cable	1,426	868	64.3
Network radio	4,738	3,356	41.2
Spot radio	1,484	2,861	(48.1)
Measured	85,026	92,500	(8.1)
Unmeasured	147,000	138,700	6.0
Total	232,026	231,200	0.4

Tandy Corp. plans to aggressively pursue the high end of the personal computer market. It has realigned computer marketing operations, giving its GRiD Systems Corp. division sole responsibility for pursuing large corporate and government accounts for both GRiD and Tandy computer products.

Tandy last year acquired GRiD, a respected high-performance laptop computer marketer. The association with GRiD gives Tandy the respect it deserves, but seldom received when it pursued these plum accounts through its Radio Shack

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Computer Centers, analysts say.

The marketing realignment will "significantly" boost ad spending for fiscal 1990 beginning July 1 for Tandy's GRiD division, said Bob Goligoski, GRiD's manager of marketing communications. Uhlan-Wright, Mountain View, Calif., handles GRiD's creative. Media placement is done in-house.

Tandy's 7,000 Radio Shack stores and computer centers, meanwhile, will continue to focus on selling to the home, school and small-to-medium-sized business markets.

Ad spending should stay about the same for Radio Shack stores and Tandy computer products, said Bernard Appel, Radio Shack's president. Advertising is handled in-house by the Radio Shack Advertising Department.

Neither Tandy nor GRiD would disclose its ad spending. But, Tandy Corp.'s annual report for the fiscal year ending June 30, 1988, put ad spending at 7.1% of sales and operating revenues or $268 million worldwide.

Tandy's stature in the business computer market also should be enhanced now that it has reached marketing agreements with Digital Equipment Corp. and Matsushita Electric's Panasonic division, which will both sell Tandy computers under their own labels.

Tandy also is looking at alternative distribution channels for the mass market—the first time it has looked outside of its base of Radio Shack stores. It is testing the sale of Tandy 1,000 SX personal computer in 50 Wal-Mart Stores. Also, it has teamed up with J.C. Penney Co. and American Express to sell personal computers through direct mail.

But personal computers are not Tandy/Radio Shack's only business. Radio Shack wants to be known as "The Technology Store."

The company continues to give its stores a high-tech look. A renovation program is expected to be complete in 1992.

The company also is working at developing other leading-edge technology products in audio, video, telephone and magnetic media. Its Thor-CD, an erasable compact disc, is due out in mid-to-late 1990, and Tandy hopes to participate in the development of high-definition TV technology.

Tandy is parent of McDuff Electronics and SuperCenters, Video-Concepts, Scott Electronics and Memtek Products, which markets Memorex audiotapes.

TANDY CORP./RADIO SHACK
1800 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3700

Corporate personnel: John Roach, chmn & president-ceo, Tandy Corp; Bernard Appel, president, Radio Shack; Robert McClure, president, Tandy Electronics; Samuel Wiegand, ceo, GRiD Systems Corp.

Marketing personnel: David Beckerman, vp-mktg svcs; Mike Wood, vp-adv; Robert Myers, vp, business products; Robert Miller, vp-consumer merch; Howard Elias, vp-computer merch; Bruce Walker, sr vp-sales & mktg, GRiD.

Brands/services by agency of record:

Tandy
GRiD

Ad agency: (In-house): Radio Shack Advertising Department, Fort Worth, Texas: Mike Wood, vp-adv; Linda Yarborough, media dir.

■

GRiD Systems Corp

Ad agency: Uhlan-Wright, Mountain View, Calif.: Joe Uhlan, president.

RANK
78

Texas Air Corp.

Houston
ADVERTISING: $128.8 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	2,335	4,054	(42.4)
Newsp supp	221	375	(41.2)
Newspaper	82,441	66,647	23.7
Outdoor	1,437	1,575	(8.8)
Network TV	44	42	3.5
Spot TV	11,288	12,974	(13.0)
Synd TV	0	19	NA
Network Cable	188	152	24.4
Network radio	0	0	NA
Spot radio	8,765	15,604	(43.8)
Measured	106,720	101,442	5.2
Unmeasured	22,100	21,000	5.2
Total	128,820	122,442	5.2

Texas Air is emerging from a strike at its Eastern Air Lines operating subsidiary that may determine whether the Houston-based holding company enters the 1990s with a smooth landing.

Chairman Frank Lorenzo is attempting to sell off pieces of the company in an effort to keep Texas Air's Eastern subsidiary from being grounded. He also needs cash to reduce $2.5 billion in debt at Continental Airlines, Texas Air's other main unit.

In 1988 alone, Texas Air brought in $1.2 billion from the sale of assets and securities, and from the sale and leaseback of aircraft. Then in early 1989, deals fell through to sell off Eastern entirely to a group led by Peter Ueberroth and Eastern employees, and to sell Eastern's South American routes to American Airlines. However, Texas Air sold off the profitable Eastern Shuttle in June 1989 to developer Donald J. Trump for $365 million. Approvals from bankruptcy court and federal agencies also were expected this month for Eastern's $210 million sale to Midway Airlines of eight Philadelphia gates, 16 aircraft and air routes to Toronto and Montreal.

Mr. Lorenzo has been involved in talks concerning the sale of a major stake in Continental to Mr. Trump, or to Scandinavian Airlines System and another unidentified partner. SAS already owns 9.9% of Texas Air as part of a joint marketing agreement.

Aggressive fare-cutting and promotional tactics by Continental and Eastern, have earned them reputations as cut-throat competitors. This has dictated the selection of daily newspapers as the main outlet for fare-oriented advertising in 1988.

Eastern and Continental combined equally for measured newspaper spending of $82 million in 1988, up 24%, according to LNA/Arbitron.

However, Texas Air's ability to compete in 1989 was severely tested by labor conflicts at Eastern, where a strike in April forced the carrier into bankruptcy. Although crippled, Eastern did not shut down, maintaining shuttle operations, reduced service from Atlanta, New York, Washington and Miami, and full service to 20 cities in Latin America.

As Eastern rebuilds with non-union employees, it is supporting its operations with print and spot radio advertising, and image-oriented spot TV in New York, Miami and Washington, says Michael Henderson, Eastern's director of marketing communications.

By early September, Eastern had resumed flights to 57 cities with just under 600 departures per day. The carrier's goal is to down-size from its pre-strike service levels of 77 cities and 1,000 flights per day to 70 cities with 750 to 800 departures per day.

Troubles at Eastern have dropped Texas Air's combined operations from the No. 1 air carrier at mid-year 1988 with an 18.6% share to No. 5 at mid-year 1989 with a 12.5% share of revenue passenger miles (RPM).

TEXAS AIR CORP.
Capitol Bank Plaza
333 Clay St., Ste. 4040
Houston, Texas 77002
(713) 658-9588

Corporate personnel: Francisco A. Lorenzo, chmn-ceo; John B. Adams, James W. Arpey, sr vps.

Continental Airlines Corp.
Houston

Corporate personnel: D. Joseph Corr, chmn-ceo; Lewis H. Jordan, exec vp-coo.

Marketing personnel: John W. Nelson, exec vp-mktg; James V. O'Donnell, sr vp-mktg programs.

Brands/services by agency of record:

Continental Airlines

Ad agencies: N W Ayer, Houston: Caroline White, vp-mgmt super; Dennis Ritchie, vp-super, domestic; Donna Logan, David Fraser, sr acct execs; Tom Fadrhonc, mgmt super, intl; Darlin Aune, acct super; Yvonne Lelko, sr acct exec; Brice Campbell, acct exec, Continental Express.

N W Ayer, New York: Chris Clark, sr acct exec; Marilyn Hartnett, acct exec.

Eastern Air Lines
Miami

Corporate personnel: Philip J. Bakes Jr., president-ceo; Joseph B. Leonard, exec vp-coo.

Marketing personnel: George J. Brennan, vp-mktg; Richard Blake, vp-mkt planning & rsch; Michael Henderson, dir, mktg comm.

Brands/services by agency of record:

Eastern Air Lines

Ad agency: Lintas:New York: Joe Karle, exec vp-acct dir; Warren Ruden, Glenn Marrichi, sr vps-mgmt supers; Teri Steele, vp-acct super; Michelle Barry, acct exec.

RANK
25

Time Warner

New York
ADVERTISING: $409.7 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	8,713	7,597	14.7
Earnings	712	578	23.2
■ Division sales	**1988**	**1987**	**% chg**
Time: Magazines	1,752	1,621	8.1
Time: Books	891	954	(6.6)
Time: Programming	1,052	904	16.4
Time: Cable TV	812	714	13.7
WC: Filmed entert	1,571	1,356	15.9
WC: Recorded music	2,040	1,531	33.3
WC: Cable & broadcast	456	387	17.9
WC: Publishing	139	130	6.4

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	64,989	[illegible]	22.6
Newsp supp	1,917	[illegible]	39.4
Newspaper	42,037	36,748	14.4
Outdoor	848	256	231.1
Network TV	32,263	18,392	75.4
Spot TV	78,368	79,345	(1.2)
Synd TV	4,151	2,025	105.0
Network Cable	23,891	19,415	23.1
Network radio	2,178	2,402	(9.3)
Spot radio	6,672	6,744	(1.1)
Measured	257,315	219,731	17.1
Unmeasured	152,400	130,200	17.1
Total	409,715	349,931	17.1

The two heavily advertised halves of Time Warner Inc.—Time's magazine group and Warner's filmed entertainment division—were extremely active in 1988. Warner charted an 11% market share of theatrical film rentals and Time expanded its battery of magazines with startups and acquisitions.

The combined company debuted in July after Time Inc. fended off a hostile takeover attempt by Paramount Communications that threatened to undo its deal with Warner. For 1988 and 1987 financial and advertising results shown in the accompanying table and box, *Advertising Age* combined totals for both companies.

Time, which underwent an editorial revamping in 1988, recorded ad revenue of $349.7 million on 2,505 pages, up 6% over 1987, according to Publisher's Information Bureau. The magazine's guaranteed rate base was lowered 6.5% to 4.3 million as of Jan. 1.

This coming February, *Entertainment Weekly* will enter the market. The magazine, featuring reviews of TV videos, books and other forms of entertainment, is expected to reach circulation of 500,000.

Sports Illustrated for Kids monthly debuted in January. About the same time, Time launched *Cooking Light*, a bimonthly published by its Southern Progress subsidiary. The publication, perhaps more a lifestyle than cooking magazine, was expected to carry 320 pages of advertising this year. Southern Progress also acquired *Southern* magazine from Southern Limited Partnership and investment bank Stephens Inc. and renamed it *Southpoint*, aiming for greater male readership.

Time acquired a 50% interest ($185 million) in Whittle Communications and holds a $1.5 million minority investment in Emerge Communications which this fall has launched the first issue of *Emerge*, a general interest publication written for a black audience.

In December, Time and Hachette-Filipacchi jointly published a "one-shot issue" of English-language *Match*, a European picture magazine, which may become a pan-European five-language monthly. Time and Hachette are launching *Elle Japon*, a Japanese version of the popular fashion magazine and a Spanish edition of *Fortune* this month, with a German edition planned for next year.

Time also sold out to joint venture partner, Dale Lang, its 50% share in Working Woman/McCall's Group.

Time's magazine group increased its subscription promotion for *Sports Illustrated* by 61% to $18.6 million in measured media, according to LNA/Arbitron, cut spending slightly for *Time* at $15 million, and decreased expenditures for *People* by 32% to $13.3 million.

Warner's summer 1989 was a blockbuster with the release of "Batman" and "Lethal Weapon 2." In 1988, Warner Bros. stayed in the third position in North American theatrical film rental market shares, according to *Variety* The studio had 11% of the market, the same as Twentieth Century Fox, but trailed Disney (20%) and Paramount (16%). Warner Bros. spent $74 million in measured spending on 26 films in 1988.

In fall 1988, Warner Bros. formed a joint venture with David Puttnam, former head of Columbia Pictures, to produce six films over four years.

This January the $1.3 billion Warner buyout of Lorimar Telepictures was finalized, forming a studio with 47 hours of weekly TV programming and 31 series of both first-run and syndicated programs.

Time-owned Home Box Office announced plans to enter the basic cable industry with a 24-hour, all-comedy channel later this year. Time decreased its spending on HBO 23% to $12.4 million in 1988. Spending for Cinemax rose by almost 400% to $4.3 million.

HBO's entry into basic will fit well into Warner's cable operation. Warner ranks as fifth-largest MSO.

TIME WARNER
Time & Life Building
Rockefeller Plaza
New York, N.Y. 10020
(212) 522-1212

Time Magazine Co.
Southern Progress Corp.
Birmingham, Ala.

Corporate personnel: Don Loga, president-ceo; Jeffrey C. Ward, publisher, Cooking Light; Ed Dickinson, publisher, Progressive Farmer; Anthony P. Glaves, publisher, Southern Accents; Scott Sheppard, publisher, Southpoint; Burton Craige, publisher, Travel South.

Southern Living

Corporate personnel: H.B. Flora, publisher.

Marketing personnel: Greg Keyes, adv sales dir; Eleanor Griffin, promo & merch mgr; Marilou Snyder, southern mktg dir; John Alex Floyd Jr., mktg svcs dir; Hallett Johnson III, circulation dir.

Brands/services by agency of record:

Southern Living

Ad agency: DDB Needham Worldwide, McLean, Va.: Joseph Landy, president.

Time Inc. Magazines
New York

Corporate personnel: Reginald K. Brack Jr., chmn & president-ceo.

Fortune

Corporate personnel: James B. Hayes, publisher.

Marketing personnel: John Jay, US adv sales dir; David L. Nimz, promo dir; Kenneth H. Godshall, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Ogilvy & Mather, New York: Denise Johnson, vp-acct super.

■

Circulation promo

Ad agency: (In-house): Barry Kessel, dir-promo, magazine circulation dept.

Life

Corporate personnel: Katherine M. Bonniwell, publisher.

Marketing personnel: Edward R. McCarrick, adv sales dir; Ripley S. Odell, promo dir; Rachael A. Greenfield, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Messner Vetere Berger Carey Schmetterer, New York: Kent Roman, acct super.

Money

Corporate personnel: William S. Myers, publisher.

Marketing personnel: Betsy Martin, adv sales dir; Michael Rich, promo dir; Michelle Jaworski, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: John Emmerling Inc., New York: John Emmerling, chmn.

■

Circulation promo

Ad agency: (In-house): Barry Kessel, dir-promo, magazine circulation dept.

People

Corporate personnel: Elizabeth P. Valk, publisher.

Marketing personnel: Dave Long, adv sales dir; Michael Pepe, promo & mktg dir; Jeremy Koch, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Young & Rubicam, New York: Terry Frances, acct super.

■

Circulation promo

Ad agency: Holland & Callaway Advertising, New York: Ron Holland, chmn; Jim Callaway, president.

Sports Illustrated

Corporate personnel: Donald J. Barr, publisher.

Marketing personnel: Thomas J. Hickey Jr., adv sales dir; Barry Briggs, mktg & sales devel dir; Michael Owen, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Ogilvy & Mather, New York: Jim Echickson, acct super.

■

Circulation promo

Ad agencies: Wunderman Worldwide/Y&R, New York: Bob O'Keefe, acct super.

A. Eicoff & Co., Chicago: Mike Collins, acct exec.

Sports Illustrated For Kids

Corporate personnel: Ann S. Moore, publisher.

Marketing personnel: Jeffrey Crennan, adv sales mgr; Susan Alexander, mktg dir; Lee Wicox, promo dir; Kate Salovaara, circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Ogilvy & Mather, New York: Jim Echickson, acct super.

■

Circulation promo

Ad agency: (In-house): Barry Kessel, dir-promo, magazine circulation dept.

Time

Corporate personnel: Robert L. Miller, worldwide publisher; Louis A. Weil III, US publisher.

Marketing personnel: Richard Heinemann, assoc publisher; Ellen Fairbanks, US circulation dir.

Brands/services by agency of record:

Adv promo

Ad agency: Lois/GGK, New York: George Lois, chmn-ceo; Theodore Veru, president-coo.

■

Circulation promo

Ad agency: Wunderman Worldwide/Y&R, New York: Bob O'Keefe, acct super.

Entertainment Weekly

Corporate personnel: Michael J. Klingensmith, publisher, Entertainment Weekly.

Brands/services by agency of record:

Adv promo

Ad agency: Deutsch, New York: David Deutsch, chmn.

Programming & Cable
Home Box Office
New York

Corporate personnel: Michael J. Fuchs, chmn-ceo.

Marketing personnel: John K. Billock, sr vp-mktg; Dan Levinson, vp-adv & promo; Steve Janas, vp, dir-adv.

Brands/services by agency of record:

HBO
Cinemax

Ad agencies: BBDO, New York: Ken Angel, sr vp-mgmt rep.

Kobs & Draft Advertising, New York: Howard Draft, president.

HBO Video

Corporate personnel: Eric Kessler, president.

Marketing personnel: Tracey Dolgin, sr vp-mktg; Steven Zales, dir, non-theatrical mktg; Peter Liguori, mgr-theatrical mktg.

Brands/services by agency of record:

HBO video

Ad agencies: HWH Enterprises, New York: Lois Whitman, president.

Cadwell Davis Partners, New York: Eliot Glazer, acct mgr.

American Television &
Communications Corp.
Stamford, Conn.

Corporate personnel: Joseph J. Collins, chmn-ceo.

Marketing personnel: Tim Evard, vp-mktg.

Brands/services by agency of record:

ATC Corp.

Ad agency: (In-house): James Duffy, dir-pr.

WARNER COMMUNICATIONS
75 Rockefeller Plaza
New York, N.Y. 10019
(212) 484-8000
Warner Bros.
Burbank, Calif.

Marketing personnel: Robert G. Friedman, president-worldwide adv & publicity; Joel Wayne, sr vp-worldwide creative adv; Joe Hyams, sr vp-adv & special project; John Jacobs, vp-media; Richard Kallet, vp-coop adv; Richard Del Belso, vp-mkt rsch.

Brands/services by agency of record:

Warner Bros. films

Ad agency: Grey Advertising, New York: Alec Gerster, exec vp, media & programming svcs; James Bell, sr vp-group media dir; Joanne Wayne, vp-assoc media dir; Alfa Tate, assoc media dir, LA.

■

Lorimar films

Ad agency: Bozell Inc., Los Angeles: James Spero, sr vp-media dir; Sam Randazzo, assoc media dir.

RANK
38

Toyota Motor Corp.

Toyota City, Japan
ADVERTISING: $272.9 MILLION

Sales & earnings
($ in millions)

■ Worldwide	1988	1987	% chg
Sales	54,254	50,571	7.3
Earnings	2,338	2,356	(0.8)

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	36,476	27,105	34.6
Newsp supp	712	427	66.9
Newspaper	5,011	5,183	(3.3)
Outdoor	822	1,229	(33.1)
Network TV	64,193	46,298	38.7
Spot TV	68,582	66,294	3.5
Synd TV	5,945	5,410	9.9
Network Cable	2,750	2,229	23.4
Network radio	1	2,301	NA
Spot radio	6,554	4,831	35.7
Farm pub	NA	216	NA
Measured	191,045	161,524	18.3
Unmeasured	81,900	69,200	18.4
Total	272,945	230,724	18.3

Toyota Motor Sales USA, a subsidiary of Toyota Motor Corp., Japan, anticipates an overall 25% to 30% ad spending gain in 1989, largely to launch the Lexus luxury car this month. That comes on top of an 18% gain in ad spending in 1988, which nurtures Toyota's position as the leading car/truck importer in the U.S.

Lexus will draw more than $60 million in advertising this year and next as it enters the highly contested luxury import market now dominated by European producers and American Honda's Acura division. Nissan also is joining the fray this fall with its Infiniti line.

Toyota expects to sell 16,000 Lexuses by the end of 1989 and 75,000 next year, evenly split between the high-end LS400 at $35,000 to $40,000 and the smaller ES250, which starts at $21,050. Presales of the imported Lexus amounted to a sizable 5,000.

Toyota has signed 90 Lexus dealers in the top luxury car markets, with plans for 100 by 1990. About 60% of them currently run Toyota dealerships.

The company sold a total of 935,960 units (cars/trucks) in the U.S. during 1988, up 0.3%. Despite its sales increase, market share dipped to 6.05% from 6.27%, still a sizable lead over No. 2 importer, American Honda at 4.97%. Toyota led importers in the light-truck market, with a 5.1% share, down from 6.5%. Nissan remained No. 2 at 3.5%, down from 4.6%.

The intensive pre-launch Lexus marketing plans almost went into a tailspin over the use of the Lexus name. Toyota had spent an estimated $12 million promoting Lexus when Mead Corp., owner of the Lexis computerized information service for attorneys, sued it for trademark infringement. Toyota won the case on an appeal.

The first consumer ads for Lexus broke this January. Initial ads showed only small portions of its two new cars, such as a close-up of a fender. In the spring and early summer, Lexus hit the auto buff books with ads highlighting its technology and design. An eight-page brochure was available to those calling an 800 number.

Toyota boosted its measured advertising by 18.3% to $191 million in 1988. According to LNA/Arbitron, it spent $10.8 million on best-selling Cressida (about $21,498 for a four-door sedan), which had 213,365 unit sales, up 14.3%.

Camry, the best-seller in 1987, accounted for $30.5 million, followed by Corolla at $20 million and Celica at $10.7 million. Spot and network TV received the lion's share of ad expenditures, but were heavily supported by magazines.

Much of the 1989 ad effort focused on Toyota's line of redesigned light trucks, with the creative approach blending in with car ads to bolster the overall Toyota "brand" image. LNA/Arbitron measured media figures estimate 1988 truck spending at $57 million, up 35.7%. With its 1988 truck sales down 18% from the previous year, Toyota went into 1989 with a truck budget said to be double that of 1988.

The Toyota and General Motors Corp. agreed to produce 100,000 light trucks a year beginning in 1991 at their joint production facility in Fremont, Calif. The deal will enable Toyota to skirt a 25% U.S. Customs tariff on some imported trucks.

Toyota joined the "real people" trend in import car advertising with a 12-minute video brochure on Cressida. The tape, mailed to all current Cressida owners and selected others, invited them to test-drive the car and pick up a free videocassette of one of 10 popular movies.

TOYOTA MOTOR SALES U.S.A.
19001 S. Western Ave.
Torrance, Calif. 90509
(213) 618-4000

Corporate personnel: Yukiyasu Togo, president; Robert McCurry, exec vp-sales & operations; J. Davis Illingworth, vp-genl mgr, Lexus div.

Marketing personnel: Albert W. Wagner, vp-sales; George Borst, vp-mktg; David Danzer, corp mktg mgr; David Pelliccioni, natl adv mgr; Don Cecconi, natl truck adv mgr; Leo Parente, dealer assn adv mgr; Joseph Tetherow, natl pr mgr, Lexus: Robert Neuman, natl mktg operations mgr; Richard Anderman, natl adv mgr; Kurt Von Zumwalt, pr mgr.

Brands/services by agency of record:

Toyotas

Ad agency: Saatchi & Saatchi DFS/Pacific, Torrance, Calif.: Stuart Upson, chmn-ceo, NY; Jim Lindsey, chmn-Southern Calif.; Joe Cronin, mgmt dir.

■

Lexus

Ad agency: Saatchi & Saatchi Team One, Torrance, Calif.: Stuart Upson, chmn; John Hirschboeck, president; Tom Cordner, exec vp-creative dir; Scott Gilbert, sr vp-mgmt super.

■

Hispanic adv

Ad agency: Conill Advertising, Los Angeles: Carlos Rossi, ceo; Leila Winick, mgmt super.

RANK
89

UAL Corp.

Elk Grove Village, Ill.
ADVERTISING: **$120.2 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	8,982	8,305	8.1
Earnings	1,124	335	235.5
■ U.S.	**1988**	**1987**	**% chg**
Sales	7,192	6,945	3.6
■ Division sales	**1988**	**1987**	**% chg**
Passenger	7,723	6,856	12.7
Cargo	507	489	3.6

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	7,738	7,927	(2.4)
Newsp supp	187	68	175.6
Newspaper	9,579	15,885	(39.7)
Outdoor	101	60	69.4
Network TV	39,843	31,342	27.1
Spot TV	10,829	12,535	(13.6)
Network Cable	1,918	1,575	21.8
Network radio	4,060	1,830	121.9
Spot radio	7,421	7,750	(4.2)
Measured	81,676	78,971	3.4
Unmeasured	38,500	37,200	3.5
Total	120,176	116,171	3.4

UAL Corp., innovative in its integration of travel and leisure operations through its Allegis era, may set the tone of future management-labor relations under its new employee-ownership structure.

In an agreement reached late this month, UAL will be sold to its employees via its pilots union, top executives and British Airways PLC for $6.75 billion. Employees will hold 75% of the shares, management 10%, and BA 15%.

The board structure requires that major directional changes affecting the company cannot be approved by a simple majority but must receive a majority of both the labor and independent contingents on the board. Employees cast the deciding vote should the board reach a standstill.

This structure perhaps would have nipped UAL's past integration of hotels, rental cars and airlines under first the UAL and then the Allegis banner—a concept that did not draw the employees' support.

United's continued strength in American aviation and its successful targeting of the more profitable business traveler is the envy of the industry. In 1988, United reported its passenger load factor rose to 67.9% from 65.4% in 1987 and its average yield per revenue passenger mile rose from 10.3 cents to 11.2 cents. While cost per seat mile also rose from 7.9 cents to 8.2 cents, that still meant United was making more money per passenger per mile. UAL Corp. for the first time in four years reported a profit from continuing operations.

United has geared its operations to meet its primary marketing targeting—the businessman. It now offers hourly service between Chicago, Washington, Denver and Seattle hubs, an extensive frequent flyer program and a marketing cooperation program with British Airways. It also has an award-winning ad campaign from Leo Burnett USA, Chicago, featuring George Gershwin's "Rhapsody in Blue."

Many of those marketing programs were put into effect under John R. Zeeman, former United Airlines exec VP-marketing and planning. In May, Mr. Zeeman was named to head up UAL's partially-owned European reservations system, Galileo, and John C. Pope, United's CFO, was named his replacement. Mr. Pope has so far offered little indication of any plans to change marketing directions.

United, however, has said it will talk to other agencies beyond Burnett, its sole agency, in planning for European expansion next year. The talks with other agencies are expected to be only about advertising in Europe.

United's success has not been achieved without some problems, including high load factors on existing routes, former head, Richard Ferris' abortive decision to put money into other industries instead of additional planes, and United's later decision to await arrival of suitably-equipped and more fuel-efficient new planes instead of buying used older models. These delayed the airline's entry into some competitive markets and left it unable to fill demand in others, especially in the Pacific.

United also lost the profitable Seattle-Tokyo route in March and has seen increased rivalry from American Airlines in the U.S., which now has more seats than United, and from Northwest Airlines for the overseas business traveler.

As a result, United's share of the total U.S. airline market dropped to 17.6% in revenue passenger miles during the first seven months of 1989, compared to 17.8% in the same period of 1988. This placed it No. 2 behind American, which had an 18.7% share, up from 16.2%.

United has added Mexican flights in the last year and announced plans to start European service in May. While United has authority to serve Frankfurt, it is seeking government permission to serve eight European cities from its hubs.

United Airlines is a much more dominant part of UAL Corp. than it has been in recent years. The parent, which changed its name from Allegis in May 1988, earlier sold its Westin Hotels and Hertz Rent-a-Car subsidiaries, and in August 1988, sold off 50% interest in Covia Partnership (the Apollo reservations system in the U.S. and Japan) to several airlines for $499 million.

UAL CORP.
1200 Algonquin Rd.
Elk Grove Village, Ill. 60007
(312) 952-4000

United Airlines
Elk Grove Village, Ill.

Marketing personnel: John C. Pope, exec vp-mktg & planning; John E. Ruhaak, vp-adv & promo; William Alenson, mgr-adv, domestic; William Groundwater, mgr-adv, intl; Patricia Engels, vp-mkt devel (including frequent flyers); Tom Lagow, sr vp-planning; Barbara Mowry, president, MPI (direct mktg formerly Mileage Plus Inc.); Chris Bauers, vp-genl sales mgr.

Brands/services by agency of record:

United Airlines

Ad agency: Leo Burnett USA, Chicago: James Thompson, sr vp-acct dir; Steve Crawford, vp-acct dir; John Goad, vp-acct super; Wendy Peters, acct super.

RANK
14

Unilever NV

London/Rotterdam
ADVERTISING: **$607.5 MILLION**

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	30,980	30,948	0.1
Earnings	967	946	2.2
■ U.S.	**1988**	**1987**	**% chg**
Sales	6,180	5,757	7.5
Operating income	509	448	13.6
■ Division sales	**1988**	**1987**	**% chg**
Margarine, fats, oil	6,193	NA	NA
Frozen foods	3,848	NA	NA
Food & drinks	5,379	NA	NA
Detergents	6,762	NA	NA
Agribusiness	900	NA	NA
Specialty chemicals	2,630	NA	NA
Personal prods	2,947	NA	NA
Other	2,381	NA	NA

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	59,449	58,259	2.0
Newsp supp	218	245	(10.7)
Newspaper	15,917	1,210	1,215.9
Outdoor	715	64	1,014.8
Network TV	189,652	213,481	(11.2)
Spot TV	49,944	58,555	(14.7)
Synd TV	26,959	30,836	(12.6)
Network Cable	8,279	4,865	70.2
Network radio	11,816	8,627	37.0
Spot radio	1,521	3,319	(54.2)
Measured	364,469	379,460	(4.0)
Unmeasured	243,000	253,000	(4.0)
Total	607,469	632,460	(4.0)

Unilever continued to strengthen its position in the U.S. health and beauty aids market through acquisition.

The largest came this July with the acquisition of Faberge and Elizabeth Arden lines of toiletries, cosmetics and fragrances. Unilever paid the Riklis Family Corp. $1.55 billion for the properties.

Faberge gives Unilever a strong line of hair-care products, including category leader Aqua Net hairspray, as well as Faberge Organic and Brut deodorant and fragrances. Elizabeth Arden markets premium skin-care, fragrance and color cosmetics products under Elizabeth Arden, Chloe, Lagerfeld and Fendi brand names.

The two companies will be added to Unilever's Chesebrough-Pond's unit. They carry a combined $42 million ad budget.

This summer, Chesebrough-Pond's also acquired Minnetonka Corp. and its Calvin Klein Cosmetics line after picking up Evyan Perfumes earlier in the year. Evyan is a New York-based company that markets White Shoulders, The Baron and Most Precious fragrances. The ad account went to Ogilvy & Mather which also will handle new introductions from Chesebrough's Matchabelli unit, including Elizabeth Taylor's Passion for Men, and the first fragrance for Erno Laszlo, both scheduled for launch this fall.

Unilever created Van Den Bergh Foods Co., New York, from parts of Lever Bros. and Shedd's Food Products, as well as portions of recent acquisitions, Durkee Industrial Foods and Pennant Products. The move consolidates Unilever U.S.'s strong presence in edible fats and oils.

Last winter, Unilever's Thomas J. Lipton Inc. and Lever Brothers created L&L Media, New York, a media buying operation to handle the $150 million national broadcast ad budget for the two concerns. L&L should give "more flexibility in pairing up products in commercial clusters, especially those that use split :30s," says Daria Sheehan, a Lever spokeswoman. Outside sources said the move was partly in reaction to the continued price hikes for national TV time, as well as surcharges for 15-second commercials.

Unilever showed mixed results in its main strength in 1988—household products. The company did well in the $1.5 billion liquid laundry detergent category, with Lever's Surf liquid, a line extension launched in 1986. Supported by increased advertising—more than $6.6 million for the liquid and almost $15 million shared with Surf powder in 1988 compared with $3.9 and $9.5 million, respectively, the year before—Surf liquid grabbed 10% of the liquid market, up from 6% to 7% the prior year. Lever's Wisk dropped about two points to 15% with its All liquid rose about a point to 6%. But Procter & Gamble still reigns with Tide, flat at 20%; Era, remaining at 10% and Cheer at 6%.

For all brands, Lever had a total share of 30% of liquids, against P&G's 45%, both essentially unchanged from a year ago, while Colgate-Palmolive had 8%, according to Jay Freedman, household products analyst for Kidder, Peabody & Co.

In the $2 billion dry laundry detergent category, Lever's Surf garnered a 10% share, up a point from the year before while its All rated 6%, down slightly. P&G dominated with Tide's 32%, Cheer's 9% and Bold's 5%.

For all dry laundry detergent brands, Lever's share stood flat at 17% for 1988, with P&G off about a point to 55%. Colgate-Palmolive had 12%.

In fabric softeners—liquid and dry combined—Lever's share fell to 23.5% from 28% in 1987. In the competitive dry fabric softener category—growing more than 8% to some $340 million in 1988—it appears P&G has won with the successful introduction of Downy sheets in early 1988, garnering 15% of the category compared to Lever's Snuggle sheets which dropped from 24% to 18%. P&G also markets Bounce dryer sheets, the category leader with 40%. The other major contender is Beecham's Cling Free, with 6%.

In the half-billion dollar dish detergent category, Lever's Sunlight had 18% of the market, up 1 share point. While its All also gained slightly to 4%. P&G's Cascade brand's 50% share remained flat. Colgate-Palmolive's Palmolive brand dropped 2% to 13%. Palmolive liquid was recently joined by other liquids which now comprise 25% of the dish detergent sales, including Lever's Sunlight liquid, with 6% and P&G's liquid Cascade, 9%.

Of the $1 billion bar soap category, Lever's Dove took a 15% share in 1988, flat from a year before while Lever's Caress was flat at 5%; Shield had 3% and Lifebouy and Lux each had less than 2%. Armour-Dial's Dial and P&G's Ivory were at 13% and 10% shares, respectively. For all brands, Lever took 30% of the market—about the same as in 1987—against P&G's nearly 35%, up slightly

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and Armour-Dial's steady 20%.

Last July, Unilever bought back the distribution rights to its Pears soap from Dep Corp. and will explore Pears extention into facial cleansers next year, with Ogilvy & Mather handling the account.

The three-quarters of a billion dollar toothpaste market grew by only $25 million in 1988, due mainly to increased price and value associated with tartar control toothpastes. Lever brands took 11% of the market, down slightly from the year before, with Aim, 5%, down a point; CloseUp, flat at 5% and Pepsodent, flat with under 1%. P&G's Crest dropped 3 points to 35%, with Colgate-Palmolive's Colgate toothpaste up two points to 28% and Beecham's Aquafresh with 10%.

Tartar control now represents 35% of the market, with Lever's Tartar Control Aim only 1% compared to Crest, 20%; Colgate, 10% and Aquafresh, 5%.

Among food categories, Lever dominates margarines with some 30% of the market, including Shedd's, 12%, flat; Promise, 6%, steady; Imperial, down a point to 6%; I-Can't-Believe-It's-Not-Butter, up a point to 4% and Krona and Mrs. Filberts at less than 1% each.

Unilever's Lipton had about half the U.S. tea bag market, flat from 1987, trailed by Tetley's 10% and around 37% of the instant tea category led by Nestea's 43%.

UNILEVER NV
Burger Meester
Vacob Plein 1
3000 DK Rotterdam

Unilever U.S.
Lever Bros. Co.
390 Park Ave.
New York, N.Y. 10022
(212) 888-1260

Marketing personnel: David F. Webb, president; John R. Speirs, sr vp-mktg; William D. Ecker, category mgr, hard surface cleaners; William J. Gentner, category mgr, laundry additives; Charles M. Kummel, category mgr, bar soaps; George T. Mayer Jr., category mgr, laundry detergents; John Hopper, mktg mgr, laundry detergents; Keith D. DeVault, sr vp-sales; Gloria B. Deragon, mktg rsch dir; Robert A. Schmitz Jr., assoc dir-mktg rsch; Elizabeth C. Crehan, dir-promo svcs; Frank E. Gonda Jr., dir-creative svcs.

Industrial Division

Marketing personnel: Harold W. Jackson, genl mgr; Riley N. Stone Jr., mgr-mktg & govt sales; Robert D. Kneissl, mgr, detergent prods; Carl R. Canter, technical mgr, detergents & toiletries.

Corporate media buying: (In-house): L&L Media: Bruce Hoenig, president; Dan Riordan, mgr-network broadcast; Alberta Drumm, Jean Marie Fish, asst mgrs-network.

Brands/services by agency of record:

Sunlight dishwashing liquid
Sunlight automatic powder
and liquid dishwashing detergents
Caress bar

Ad agency: BBDO, New York: Gary DePaolo, media dir; Robert McGreevy, acct super; Kenneth Mills, acct exec; Kweku Amonoo, asst acct exec; Trisha Grant, asst acct exec, Caress; Susan Schaefer, asst acct exec, Sunlight liquid; Laureen Schwartz, asst acct exec, Sunlight powder.

■

Dove soap bar
Surf powder and liquid detergents
Final Touch fabric softener

Ad agency: Ogilvy & Mather, New York: Dove bar: Becky Saeger, sr vp-group dir; Jane Davis, acct dir; John Nardone, acct mgr; Richard J. Crean, acct coord. Surf: Becky Saeger, sr vp-group dir; Cecily West, acct dir; Ellen Dubin, acct exec; Richard J. Crean, acct coord. Final Touch: Becky Saeger, sr vp-group dir; Cecily West, acct dir; John Nardone, acct mgr; Richard J. Crean, acct coord.

■

Concentrated All & liquid All detergents
Snuggle liquid & sheet fabric softener
Shield soap

Ad agency: Lintas:New York: Al Colello, exec vp-exec creative dir; Terry Rosenquist, group exec vp; Cindy Wilford, Irene Little, Bill Vitriol, vps-acct supers.

■

Wisk detergent
Lever 2000

Ad agency: J. Walter Thompson USA, New York: Steve Dworin, sr vp-mgmt dir; Bill Gross, acct dir; Adam Turtletaub, acct super; Bill McMahon, acct rep; Steve Penders, asst acct rep.

■

Professional programs

Ad agency: Sudler & Hennessey, New York: Neil Leiner, exec vp-mng dir; Wayne Traub, sr vp-acct super; Sally Scheuermann, acct exec; Lisa Salaba, asst acct exec.

■

Industrial & institutional prods

Ad agency: Richard Lewis Corp., Scarsdale, N.Y.: Richard Byer, president.

Thomas J. Lipton Inc.
Englewood Cliffs, N.J.

Corporate personnel: Blaine R. Hess, president-ceo; Thomas N. Fuelling, president-ceo, Lawry's Foods

Marketing personnel: James W. Benson, sr vp-mktg; James Reid, sr vp-operations & genl mgmt divs; John M. Heil, vp-grocery mktg, Lawry's Foods; Edmund Ladendorff, vp, beverage div; Angelo S. LaMantia, vp, foods div; Robert S. Livingston, vp, sales div; Anthony G. Montuori, vp-mktg support; Max J. Ballard, genl mgr, Good Humor; Richard P. Kundrat, genl mgr, food service & bottler-dairy divs; Robert K. Norfleet, genl mgr, Continental Foods; David P. Bell, dir-prod mgmt, soup & recipe prods; Bruce Belowich, dir-merch & promo planning; Vivian Bruno, dir-mkt rsch; Michael Cullen, dir-new prods & coord div; Linnea Johnson, dir-prod mgmt, convenience teas; Gregory G. Knoll, dir-prod mgmt, meals & side dishes; Stewart Krentzman, dir-prod mgmt, Wyler's; Theodore Labiner, dir-creative svcs; Daniel Morrison, dir-prod mgmt, condiments & snacks; Russell Sherwood, dir-prod mgmt, regular & specialty teas; Linda Webb, dir, nutrition & consumer svcs.

Brands/services by agency of record:

Tea bags & specialty teas
Convenience teas
Soup mix
Cup-A-Soup
Food service

Ad agency: Lintas:New York: Steven W. Norcia, group exec vp; Doug Harting, sr vp-mgmt super.

■

Side dishes

Ad agency: Young & Rubicam, New York: Robert Gleckler, sr vp-mgmt super.

■

Sunkist fruit snacks
Wyler's drink mixes, FruitSlush, Big Squeeze

Ad agency: FCB/Leber Katz Partners, New York: David Roethgen, sr vp-mgmt dir.

■

Wish-Bone salad dressings

Ad agency: Sudler & Hennessey, New York: Lisa Blumenstein, sr vp-acct super.

■

Lawry's Foods

Ad agency: Dailey & Associates, Los Angeles: Brian Morris, exec vp.

■

Knox gelatin

Ad agency: Lotas Minard Patton McIver, New York: Judy Lota, Sally Minard, partners; Dick Ellington, acct mgmt; Kristin Moore, art.

Cheesebrough-Pond's
Greenwich, Conn.
Personal Products Group

Marketing personnel: Patrick Choel, vp-mktg; David Waldron, vp-mktg svcs; Mike Connor, group prod mgr, color cosmetics; Ed Jackson, group prod mgr, oral hygiene; Laura Klauberg, group prod mgr, hair care & cotton swabs; Linda Nash, group prod mgr, facial care & nail polish removers; Robert Sheasby, group prod mgr, body care; Greg Van Gasse, group prod mgr, fragrances & deodorants; Vic Gaudet, vp-sales, personal prods; Kent Doss, vp-sales, Prince Matchabelli.

Brands/services by agency of record:

Trust deodorant
Aim toothpaste
Pepsodent, Aim toothbrushes
Impulse body spray

Ad agency: Lintas:New York: Al Colello, exec vp-exec creative dir; Terry Rosenquist, group exec vp; Rosalia Barnes, vp-mgmt super; Andrew Maguire, vp-acct super.

■

Vaseline Intensive Care lotions
Vaseline Lip Therapy
Vaseline Intensive Care suncare prods
Vaseline Intensive Care hand
& nail formula lotion
Vaseline petroleum jelly
Vaseline Intensive Care bath prods

Ad agency: McCann-Erickson, New York: Harvi Robinson, sr vp-mgmt rep; Susan Lansing, vp-acct super.

■

Rave hair care prods
Pond's cold cream
Aziza cosmetics
Q-tips cotton swabs & cotton balls
Cutex cosmetics
Hero, Wind Song, Aviance,
Verve, Cachet fragrances

Ad agency: Ogilvy & Mather, New York: Kathleen Foley, sr vp-group dir; Christine Flouton, acct super, Pond's; Carolyn Brinn, acct super, Cutex, Aziza, Windsong, Aviance, Verve; Anne Ocampo, acct super, Rave; Serena Collison, acct super, Hero.

■

Close-Up toothpaste
Timotei shampoo

Ad agency: J. Walter Thompson USA, New York: Steve Dworin, sr vp-mgmt dir; Michael Dabrowski, acct dir; Tina Schmucki, acct super; Eve Shostak, acct rep; Betsy Braham, asst acct rep.

Prestige Products Group

Marketing personnel: Raymond A. Baliatico, president; Sherry Baker, vp-genl mgr, Erno Laszlo & Parfums International; Irene Cotter, mktg dir, Parfums International; Betsy Olum, mktg dir, Erno Laszlo; Joel Kaufman, natl sales mgr, Erno Laszlo; Joseph Shanz, vp-sales, Parfums International.

Brands/services by agency of record:

Elizabeth Taylor's Passion
White Shoulders
Erno Laszlo

Ad agency: Ogilvy & Mather, New York: Kathleen Foley, sr vp-group dir; Sally Luce, vp-acct super.

Ragu Foods
Trumbull, Conn.

Marketing personnel: Arthur P. Gonis, president-ceo; John W. Rice, vp-mktg; David Cooper, group prod mgr, spaghetti sauces; Frances Bainor-Ebner, group prod mgr, marinades, tenderizers, pizza sauce; Natalie Danysh, group prod mgr, new prods; Robert Spessard, vp-sales.

Brands/services by agency of record:

Ragu spaghetti sauces
Pizza Quick sauces
Adolph's tenderizers & marinades

Ad agency: Waring & LaRosa, New York: Irwin Levy, sr vp-acct svcs; Clark Olver, vp-mgmt super; Michele Monagas, acct exec.

■

New prods

Ad agency: J. Walter Thompson USA, New York: Steve Dworin, sr vp-mgmt dir; Melissa Murphy, mgmt dir; Michael Dabrowski, acct dir; Ester Lee, sr acct super; Annica Holton, acct rep.

Van Den Bergh Foods Co.
New York

Corporate personnel: A. Clive Butler, president.

Consumer Products Group

Marketing personnel: Michael E. Bauer, vp-mktg; Celene S. Varasano, dir-mktg svcs & planning; Robert E. Lieberman, Thomas A. Murano, Rajan W. Nagarkar, mktg mgrs; Lynn Johnson, dir-mktg rsch; Myrna F. Schreibman, sr promo devel mgr.

Brands/services by agency of record:

Mrs. Butterworth's syrups &
pancake/waffle mixs

Ad agency: BBDO, New York: Anthony Brescia, sr vp-mgmt rep; John Berg, acct super; Douglas Grant, acct exec; Kathleen Lynch, asst acct exec.

■

Imperial margarine
Krona spread

Ad agency: Ogilvy & Mather, New York: Becky Saeger, sr vp-group dir; Stephanie Becker, vp-mgmt super.

■

Promise spread
I-Can't-Believe-It's-Not-Butter blend

Ad agency: McCann-Erickson, New York: Linda Luca, vp-mgmt rep; Nancy Kingsberg, Teddy Mulrow-Strain, Suzanne Sayth, acct supers.

■

Shedd's Country Crock spreads
Country Crock cheese prods
Mrs. Filbert's margarine & salad prods

Ad agency: Stone & Simons, Southfield, Mich.: Chuck Stone, president; Howard Dembs, exec vp-acct super; Chris Gaffield, exec vp-acct svcs; Doug Stone, sr vp-acct exec; Tom Maras, Colleen Rouse, acct execs.

RANK **80**

U.S. Dairy Farmers

Arlington, Va.
ADVERTISING: $126.6 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	860	455	89.0
Newsp supp.	298	0	NA
Newspaper	227	38	NA
Outdoor	759	863	(12.1)
Network TV	49,662	76,699	(35.3)
Spot TV	16,619	14,019	18.5
Synd TV	3,485	2,738	27.3
Network Cable	6,301	2,080	202.9
Network radio	5,088	0	NA
Spot radio	5,005	3,654	37.0
Measured	88,305	100,545	102.5
Unmeasured	38,300	43,600	79.6
Total	126,604	144,145	(12.2)

Dairy marketing programs are working despite today's cholesterol and calorie concerns. Even though dairy advertising totals for 1988 are down, what's left is doing the job, judging from higher per capita U.S. dairy consumption.

U.S. Department of Agriculture indicates U.S. per capita dairy product consumption up 7.2% to 582.2 lbs. in 1988 from 543.3 lbs. in 1980. That jump is only partially credited to the big federal donations of surplus cheese.

One Midwestern dairy marketer estimated that before the 1983 Dairy & Tobacco Adjustment Act, total U.S. dairy promotion spending was about $90 million a year. It's now $230 million annually.

The dairy act created the National Dairy Production and Research Board and authorized a 15-cents-per-hundred weight of fluid milk assessment to be used by various organizations for a national dairy promotion research and nutrition program.

Some of that allotment goes to private groups such as the half-century-old American Dairy Association, the marketing arm of the United Dairy Industry Association, Rosemont, Ill. The ADA has been losing national support programs to the NDPRB, which in 1987 took over all national cheese, butter and ice cream advertising.

Largest of all state dairy associations, the Wisconsin Milk Marketing Board, also broke from ADA in late 1987 largely because of differing marketing views. Other independent marketing promotion programs are carried on by dairy boards in Pennsylvania, Louisiana and Utah.

Increased milk production is credited with the rise in allocated dairy revenues coming from U.S. dairy farmers in 1988. The total was up about 1% to $210 million from $207.8 million in 1987, which had fallen from $208.3 million in 1986.

Recipient of the largest chunk of milk checkoff funds among the U.S. dairy associations was the NDPRB, which got $76.8 million, down less than 1% from 1987. Its total spending for 1988 climbed 7.2% to $68.7 million; 90% of that was spent in media.

Income for ADA's parent United Dairy Industries Association, now a federation of 19 state and regional dairy associations, dropped 3.7% in 1988 to $51.8 million. Media spending totaled $46 million, down 24.2%. The ADA spent more eclectically than NDPRB, going heavily for spot TV at $20.5 million, and spot radio at $9 million among a multimedia buy, while NDPRB spent 55% of its media on network TV.

Of the separate state groups, the highest ad spending was by the California Milk Advisory Board, which spent $18.2 million for its 1988 marketing promotion, off 3%. Biggest of its campaigns was "Milk does a body good," costing $11.6 million, the work of McCann-Erickson, San Francisco. It also was used with adaptations by Wisconsin and Oregon.

Biggest product category for the NDPRB in 1988 was cheese. The two big campaigns, "Cheese Riddle" and "Don't Forget the Cheese," cost $22.7 million.

For 1989-90, the Dairy Board has budgeted $63.4 million for all advertising with $58.3 million earmarked for media.

The ADA continues with its biggest ad effort on TV and radio for adult fluid milk, themed "Milk, America's Health Kick."

The need to produce a coordinated dairy promotion program to take fuller advantage of creativity, media clout and coordinated national strategy is often brought up by the varied dairy groups. That coordination may be coming through an ad hoc body initiated this year by newly named NDPRB CEO Cynthia Carson. The goal of that body, called the Dairy Industry Strategic Marketing Alliance, is to recommend by the end of this year an industry-wide dairy marketing direction plus long-term strategy.

U.S. DAIRY FARMERS
NATIONAL DAIRY PROMOTION
AND RESEARCH BOARD
2111 Wilson Blvd., Ste. 600
Arlington, Va. 22201
(703) 528-4000

Marketing personnel: Cynthia Carson, ceo; George De Jager, sr vp-mktg & adv; Kathryn M. Klaus, mgr-adv programs; Maureen Bergen, mgr-adv & rsch programs; Bill Diggins, sr vp-mkt & consumer rsch; Greg Annotrading, mgr-economic rsch.

Brands/services by agency of record:

Adv to medical profession

Ad agency: Bozell Medical, New York: Anne Petz, acct exec.

■

Cheese

Ad agency: DDB Needham Worldwide, Chicago: Mike Kearns, vp-mgmt rep.

■

Nonfat dry milk
Trade adv

Ad agency: Gorman Publishing Co., Chicago: Harry Stagnito, vp.

■

Butter
Ice cream

Ad agency: Grey Advertising, New York: Jordan Rosuck, exec vp.

■

Calcium
Youth milk

Ad agency: McCann-Erickson, San Francisco: Tom Drese, sr vp.

American Dairy Association
6300 N. River Rd.
Rosemont, Ill. 60018
(312) 696-1380

Marketing personnel: M.F. Brink, ceo; Grover B. Simpson, sr vp-adv & mktg svcs, United Dairy Ind. Assn.; Stephen A. Dohrmann, vp-mktg planning; Donna A. Arcus, dir-adv svcs.

Brands/services by agency of record:

Fluid milk
REAL seal
Cheese
Butter
Other dairy foods

Ad agency: D'Arcy Masius Benton & Bowles, Chicago: Ben Bishop, sr vp-group acct dir; Bob Meuser, sr vp-mgmt super; Andrea Dichter, acct super.

■

Food service

Ad agency: Noble-Tennant, Chicago: Tim Dorgan, president-coo; Susan Saltwell, acct super.

California Milk
Advisory Board
400 Oyster Point Blvd., Ste. 214
South San Francisco, Calif. 94080
(209) 521-1060

Marketing personnel: Ralph Watts, ceo; Adri Boudewyn, dir-comm svcs.

Brands/services by agency of record:

Manufactured dairy products

Ad agency: FCB/West, Los Angeles: Harry Lamdseidel, acct super; Rob Hudnut, acct exec.

■

Fluid milk

Ad agency: McCann-Erickson, San Francisco: Jerry Scott, acct super; Michael Freeman, acct exec.

Oregon Dairy Products
Commission
10505 S.W. Barbur Blvd.
Portland, Ore. 97219
(503) 229-5033

Marketing personnel: Sheldon Pratt, ceo; Peggy Kern, mktg dir; Lorinda Moholt, dir-comm.

Brands/services by agency of record:

Cheese
Fluid milk

Ad agency: (In-house): Peggy Kern, mktg dir.

Washington Dairy
Products Commission
1107 N.E. 45th St.
Seattle, Wash. 98105
(206) 545-6763

Marketing personnel: Joseph Westwater, ceo; Doug Simpson, mgr.

Brands/services by agency of record:

Dairy prods

Ad agency: Ehrig & Associates, Seattle: Steve Matzen, acct exec.

Wisconsin Milk
Marketing Board
4337 W. Beltway Hwy.
Madison, Wis. 53711
(608) 271-1021

Marketing personnel: Ric Johnson, dir-mktg; Pete DeMars, mgr-consumer mktg; Vicky Jones, mgr-adv.

Brands/services by agency of record:

Cheese

Ad agency: Foote, Cone & Belding Communications, Chicago: Jean MacLaren, mgmt super.

■

Fluid milk

Ad agency: McCann-Erickson, San Francisco: Jerry Scott, acct super.

■

Food processing

Ad agency: Kocs Wesson & Associates, Milwaukee: Warren Euigin, mgmt super.

RANK **36**

U.S. Government

Washington
ADVERTISING: $295.1 MILLION

U.S. advertising by media
($ in thousands)

■ Media	1988	1987	% chg
Magazine	33,436	44,164	(24.3)
Newspaper	19,885	3,996	397.6
Outdoor	11,140	1,000	1,014.0
Network TV	56,491	55,659	1.5
Spot TV	29,825	35,342	(15.6)
Network Cable	2,355	2,714	(13.2)
Network radio	11,788	10,124	16.4
Spot radio	10,352	8,844	17.1
Measured	175,272	161,843	8.3
Unmeasured	119,828	149,456	(19.8)
Total	295,100	311,299	(5.2)

Washington's ax-wielding budget-cutters continue to trim the federal government's ad spending.

The Defense Department, always the government's top advertiser, saw its budget rise 0.4% to $201.7 million in fiscal 1988. But in fiscal 1989, ending Sept. 30, 1990, it is expected to decline to $196.6 million. The Pentagon reversed its ad strategy in the past year by emphasizing individual service campaigns over an umbrella campaign.

The Pentagon will keep its joint military recruitment advertising at about 10% to 15% of the total defense ad budget, or about $27 million in fiscal 1988, up

25.6% from the previous year.

In 1986 defense ad policy-makers thought they could save millions in ad dollars by shifting more money into the umbrella campaign and away from the specific services, an unpopular idea with the individual branches of the armed forces.

In fiscal 1989, because Marine, Navy and Air Force budgets had sunk so low that the services had very little money to spend on TV or other media, $5 million was transferred from the $31 million joint ad budget to those other services.

In the 1990 budget now under consideration by Congress, more money was recommended to be diverted from the proposed joint program of $30.8 million to the other services, perhaps as much as $5 million for the Navy, $2 million for Air Force and $3 million for the Marines.

In May the joint campaign broke its first new creative in four years: "Opportunity is waiting for you" is the theme of ads by Grey Advertising, New York.

Recruiting has suffered slightly as the Pentagon's ad budget stayed static. Even though the government's recruiting target figures were lower for both men and women in fiscal 1988, the services barely met their goals and the Marines missed its re-enlistment target for career personnel. The quality of new recruits—judged by aptitude tests and high school degrees—did not improve. In the first half of fiscal 1989, ending March 31, the percentage of high school graduates who signed up for the armed forces was slightly down from the same period in 1988. However, all the services met their recruiting goals.

The Army's budget continues to drop. In 1988, it spent $95.6 million, down 5.9%, and is expected to spend $91.7 million this year. For 1990, Army has requested $100.4 million. Young & Rubicam, New York, handles.

The Navy's ad budget increased 30.2% to $19.4 million in fiscal 1988, and is expected to remain about the same in 1989. For 1990, the Navy requested a budget of $20.2 million. BBDO, New York, is the agency.

The Marines spent $17.7 million last year, an 11.5% decline. It anticipates a budget of $16.9 million this year, and requested $16.8 million for 1990. The Marine's contract with J. Walter Thompson USA, Atlanta, is up for review next year.

The Air Force also saw a decline in fiscal 1988 of 11.9% to $14.8 million. It anticipates the same spending for 1989, and requested $14.2 million for 1990. Bozell, New York, handles the Air Force and the National Guard.

Other major government spenders include the U.S. Postal Service, whose budget dropped 12% to $35.6 million last year. The postal service budget for fiscal 1988 is more than $40 million and is expected to be more than $45 million in 1990. The Postal Service has become a more aggressive marketer under the direction of Peter Eichorn, new assistant postmaster general for marketing and communications, and a former top marketing executive for Polaroid Corp. This year the Postal Service has its first major corporate tie-in, with MCA Home Video for release of the video "Land Before Time." The video cassette will promote the service's new dinosaur commemorative stamps. The Postal Service also is considering a sponsorship for the 1992 Olympics.

Despite Amtrak's ad spending decline of 16.5% to $24.2 million in 1988, the railroad enjoyed a banner year, with revenue increasing 17%. Revenue is up 15% so far this year, and ridership increased 9%. Amtrak continues its "All Aboard Amtrak" campaign via DDB Needham Worldwide, New York.

The U.S. Mint will be less of a major player in the next several years. It spent about $16 million last year, down 27%, and is expected to have an even smaller budget this year.

Public service advertising rose to $17.4 million, up 14%. The Advertising Council handled $4.[illegible] million of the public service ads, up 13.6%. The Centers for Disease Control's $8 million AIDS-awareness campaign continues with its "America Responds to AIDS" public service ads. The CDC in the coming year will consider paid advertising, following congressional approval last October of a $45 million paid and public service campaign. Congress has not, however, authorized funds for the paid campaign, and has shown little inclination to do so.

U.S. GOVERNMENT
Washington, D.C.

Department of Defense

Staff personnel: Lt. Gen. Donald Jones, deputy asst sec, defense military manpower & personnel policies.

Marketing personnel: Lynn Lucchetti, dir; Maj. Dave Fredrikson, USA, asst dir-adv, contracting officer's rep; Maj. Martha Cavaiani, USA, deputy dir; Lt. Porsche Gaston, USMC, program adv mgr; Capt. Donna Edwards, USAF, program adv mgr; Lt. Steve Hein, USCG, program adv mgr.

Brands/services by agency of record:

Joint Recruiting

Ad agency: Grey Advertising, New York: Robert Ravitz, sr vp-mgmt rep; Jim Graham, vp-group mgmt super; Bill Sandberg, David Stanley, vps-mgmt supers; Jim Battin, vp-mgmt rep, direct response; Leonard Susman, acct super; Sherman Landwehr, business mgr.

Department of Army

Staff personnel: William D. Clark, acting asst sec of Army, manpower & reserve affairs; Lt. Gen. Allen K. Ono, deputy chief of staff, personnel.

Marketing personnel: Lt. Col. Jerry Harke, chief mktg & adv office, office of deputy chief of staff, personnel; Maj. William Harkey, adv program mgr.

U.S. Army/Army Reserves

Staff personnel: Maj. Gen. Jack Wheeler, commanding gen., U.S. Army Recruiting Command; Maj. Gen. William Ward, chief, Army Reserve.

Marketing personnel: Thomas Evans, acting dir-adv & sales promo.

Brands/services by agency of record:

U.S. Army/Army Reserve

Ad agency: Young & Rubicam, New York: John Glorieux, exec vp-mng dir; Bill Green, sr vp-group dir; Dori Stern, vp-rsch dir; Bruce Wager, sr vp-media dir.

U.S. Army ROTC

Staff personnel: Lt. Gen. John Voss, commanding gen., U.S. Army Training & Doctrine Command; Maj. Gen. Robert Wagner, commanding gen., U.S. Army ROTC Cadet Command.

Marketing personnel: Col. Robert Thompson, dir-mktg, adv & public affairs directorate.

Brands/services by agency of record:

U.S. Army ROTC

Ad agency: Young & Rubicam, New York: John Glorieux, exec vp-mng dir; Clark Brooks, vp-mgmt super; Dori Stern, vp-rsch dir; Bruce Wager, sr vp-media dir.

U.S. Navy

Marketing personnel: Capt. R.F. Kelly, dir-recruiting adv; Steve Abbott, dir-adv operations div.

Brands/services by agency of record:

U.S. Navy

Ad agency: BBDO, New York: Frank Perkins, exec vp-mng dir; Janet Presley, vp-mgmt rep; Kathryn Arning, acct super.

U.S. Marine Corp.

Marketing personnel: Brig. Gen. Gary Brown, dir-personnel procurement div; Lt. Col. Dee Caudill, head-mktg branch.

Brands/services by agency of record:

U.S. Marine Corp.

Ad agency: J. Walter Thompson USA, Atlanta: Chris Hall, vp-group acct dir; Brent Katzmann, acct super.

U.S. Air Force

Marketing personnel: Brig. Gen. John Salvadore, commander, recruiting svc; Col. David Kraus, adv & promo dir; Tim Talbert, adv div chief; Fred Ragan, mgmt div chief.

Brands/services by agency of record:

U.S. Air Force

Ad agency: Bozell Inc., New York: Gerret Schwieger, vp-acct group dir; Doug Laughlin, vp-mgmt rep; Fred Morris, vp-acct super; Lucy Aquinaldo, vp-business mgr.

National Guard

Marketing personnel: Maj. John Runner, chief Army National Guard recruiting & retention mgmt center; Maj. Jim Martin, Air National Guard recruiting & retention branch.

Brands/services by agency of record:
National Guard

Ad agency: Bozell Inc., New York: Gerret Schwieger, vp-acct group dir; Doug Laughlin, vp-mgmt rep; Ron Owners, acct super; Tom Previ, acct exec, Army National Guard; Mark Rowe, acct exec, Air National Guard.

Transportation Department
Coast Guard

Marketing personnel: Capt. Juan Salas, chief, recruitng & job entry div; Lt. Commander Peter Ganser, dir-natl adv.

Brands/services by agency of record:

Coast Guard

Ad agency: CLI Productions, Hyattsville, Md.: Fern Kornfield, acct super.

U.S. Postal Service

Marketing personnel: Peter Eichorn, sr asst postmaster general, mktg & comm; John Wargo, asst postmaster-mktg; Rod DeVar, mgr-creative svcs branch.

Brands/services by agency of record:

U.S. Postal Service

Ad agency: Young & Rubicam, New York: Richard Kahn, sr vp-group dir; Richard Kebbon, Bill McGorry, Jack Powers, Cathy McCarthy, vps-acct supers; Jennifer Howard, Lorie Siegal, acct execs.

Amtrak

Marketing personnel: William S. Norman, exec vp-mktg & business devel; Timothy Gardner, vp-passenger mktg.

Brands/services by agency of record:

Amtrak

Ad agency: DDB Needham Worldwide, New York: Roy Lancaster, group sr vp-business unit dir; Lauren Berger, sr vp-mgmt super; Betsy Lovejoy, John Garment, acct supers.

U.S. Mint

Marketing personnel: John Papa, acting dir-mktg; Mrs. Michael Burke, mktg officer.

Brands/services by agency of record:

American Eagle Bullion Coin

Ad agency: Grey Advertising, New York: Robert Ravitz, sr vp-mgmt rep; Edith Wollin, vp-mgmt super.

RANK
71

Volkswagen AG

Wolfsburg, W. Germany
ADVERTISING: $140.3 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	33,886	29,487	14.9
Earnings	446	323	38.3
U.S.	**1988**	**1987**	**% chg**
Sales	3,336	NA	NA

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	29,134	23,270	25.2
Newsp supp	1,047	106	880.0
Newspaper	7,432	9,028	(17.7)
Outdoor	64	1	7,022.2
Network TV	29,741	49,628	(40.1)
Spot TV	16,337	13,073	25.0
Synd TV	916	0	NA
Network Cable	1,658	1,332	24.5
Network radio	1,744	0	NA
Spot radio	10,182	4,472	127.2
Measured	98,236	100,910	(2.6)
Unmeasured	42,100	43,200	(2.5)
Total	140,336	144,110	(2.6)

Volkswagen of America is hoping the introduction of a new sports car and an upscale midsized sedan will help prevent unit sales in 1989 from skidding for the fourth straight year.

The automaker sold 168,000 vehicles in 1988, a 12% drop. The company's share of the U.S. import market fell sharply for the second straight year, from 6.1% to 5.5%, and its share of the total U.S. market dipped from 1.9% to 1.6%.

One bright spot was a strong showing from the Fox, Volkswagen's low-end subcompact. After a poorer-than-expected performance in 1987, sales of the Fox totaled 56,932 vehicles, up 41.7%.

Volkswagen is pinning much of its hopes for a turnaround in 1989 on the Corrado, its first full-blooded sports car. The 140-mph Corrado, a 1990 supercharged model, debuted in September. Another new Volkswagen entry, the Passat, an upscale midsized sedan, will be introduced during first quarter 1990.

Volkswagen's 1989 lineup of cars was both expanded to include new models and refined with features such as anti-lock breaking systems, new interiors and sunroofs. It celebrated its 40th anniversary in the U.S. by introducing six midyear models that carry the exclusive Wolfsburg Edition badge—a Jetta GLS 16V, a four-door Jetta GL, a a four-door Fox GL, a four-door Golf GL, a Cabriolet and a seven-seat Vanagon GL.

The automaker recently pulled its ad campaign featuring stoic engineers in life-threatening, race-course settings. William Gegota, Volkswagen U.S. director of marketing, said the "German Engineering. The Volkswagen Way" theme line will continue, but the 1990 campaign will see greater emphasis on regionalization, on both association and individual dealer co-op programs and on radio ads.

Audi of America, a division of Volkswagen of America, is hoping that a federal investigation, which found that unintended acceleration in Audi automobiles resulted from drivers unknowingly stepping on the accelerator instead of the brake, will finally put the controversy to rest.

Audi, haunted by the bad publicity concerning the unintended acceleration controversy since 1986, saw total vehicle sales for 1988 drop 44% to 22,943 units. Total sales for the first six months of 1989 also are down 20% to 9,312 from the same period last year. Audi's share of the total U.S. import market fell sharply from 1.3% to 0.75% in 1988 as its measured ad spending edged up 7% to $30 million.

The introduction of two new models—the 1990 Coupe Quattro and the 1990 Audi V8 Quattro—is designed to help the company get back on track. Both models are being supported by a wide-scale, three-month fall print campaign running in national magazines and newspapers.

Audi also introduced 1989 versions of the Audi 80, 80 Quattro, Audi 90 and Audi 90 Quattro models, as well as refined versions of the 100/200 Series. Along with its vehicles, Audi offers the Audi Advantage, which features a three-year/50,000-mile, new-vehicle limited warranty, maintenance protection and a Guaranteed Resale Index that certifies trade-in value.

VOLKSWAGEN AG
Postfach
D-3180 Wolfsburg 1
West Germany

Volkswagen of America
888 W. Big Beaver Rd.
P.O. Box 3951
Troy, Mich. 48007-3951
(313) 362-6000

Corporate personnel: William J. Young, vp, Volkswagen US; Richard L. Mugg, vp, Audi of America.

Marketing personnel: William A. Gelgota Jr., dir-Volkswagen adv; Anthony Kirton, dir-Audi mktg; Ron Dusenberry, mgr-Volkswagen adv; Bruce Butzier, mgr-Audi adv; Gary Grabowski, Volkswagen dealer adv mgr; George Pizzo, Audi creative adv mgr.

Brands/services by agency of record:

Audi
Volkswagen

Ad agency: DDB Needham Worldwide, Troy, Mich.: Robert Freeman, president; Philippe Defechereux, sr vp-acct dir, VW; Christian Von Glasow, sr vp-acct dir, Audi; Ken Campbell, vp-planning mgr, VW; Robyn Reihm, vp-mgmt super, VW; Charlie Zollo, vp-acct super, VW (NY); Frank Couzens III, vp-acct super, VW; David Hudson, vp-strategic planning dir, Audi; Andy Schmittdiel, vp-field operations dir, Audi; John Callahan, acct super, VW: Scott Schofding, acct super, Audi; Robert Finch, acct super, Audi field adv (Chicago); Darcy Ahl, Jim Coraci, Ron Silagy, acct execs, VW.

RANK
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Warner-Lambert Co.

Morris Plains, N.J.
ADVERTISING: $609.2 MILLION

Sales & earnings
($ in millions)

Worldwide	1988	1987	% chg
Sales	3,908	3,441	13.6
Earnings	340	296	15.0
U.S.	**1988**	**1987**	**% chg**
Sales	2,038	1,831	11.3
Operating income	589	526	12.0
Division sales	**1988**	**1987**	**% chg**
Health care	2,509	2,257	11.2
Gums & mints	918	768	19.5
Other prods	481	416	15.6

U.S. advertising by media
($ in thousands)

Media	1988	1987	% chg
Magazine	18,883	14,227	32.7
Newsp supp	1,443	1,049	37.6
Newspaper	3,637	274	1,227.4
Outdoor	204	1,005	(79.7)
Network TV	111,072	102,472	8.4
Spot TV	34,498	41,683	(17.2)
Synd TV	19,565	14,119	38.6
Network Cable	3,340	2,123	57.3
Network radio	16,911	24,614	(31.3)
Spot radio	1,103	2,397	(54.0)
Measured	210,656	203,962	3.3
Unmeasured	398,500	385,900	3.3
Total	609,156	589,862	3.3

Warner-Lambert Co. stepped up its new product activity in 1988-89, with line extensions of such popular brands as Dentyne gum and Benadryl cold remedy, and new ethical drugs to reduce cholesterol.

The new prescription drugs place W-L squarely in battle with pharmaceutical leader Merck & Co., which markets the leading cholesterol-reducing agent, Mevacor. It also is about to run headlong into Merrell Dow in the $400 million worldwide market for smoking cessation remedies.

W-L signed an agreement in December 1988 with Elan Corp. of Ireland to market a prescription nicotine patch for smoking cessation, pitting it directly against Merrell Dow's Nicorette, which has been the only prescription remedy in the U.S. to help smokers quit tobacco.

W-L's worldwide advertising and promotional budget has been increasing for several years, and it says the 1989 budget is $950 million, up 8%.

Spending in U.S. measured media, however, increased only 2.9%, although the numbers show W-L is basically increasing support for key brands. Products backed by the heaviest spending in 1988 were the Benadryl line, with $29.1 million in spending, up 9%; Dentyne gum with $11.6 million, up 1.7%; Listerine with $23 million, up 23.9%; Listermint with $10.6 million, up 4%; Rolaids with $15.6 million, up 0.6% and $18.1 million for Trident Gum, down 10.8%.

W-L stepped up spending for Listerine as it joined other competitors in billing the mouthwash as a plaque and gingivitis preventative. The claim is under review by the Food and Drug Administration, which says plaque-fighting ability is a drug claim, and products bearing such a claim must be reviewed for approval from the agency.

Last year, all mouthwashes marketed to prevent plaque increased their market share in food stores, valued at $363 million, or half the market. Listerine grew 7 share points to 26%, followed by Procter & Gamble's Scope at 23% and Pfizer's Plax at 14.5%, according to industry audits.

W-L expanded the Benadryl line with Benadryl Plus Nighttime liquid cold relief medication, which competes in the $178 million nighttime liquids segment of the $1.1 billion cough-cold category, according to Kline & Co., Fairfield, N.J. It will go up against Richardson-Vicks' Nyquil, the longtime leader in the entire category.

Benadryl, an antihistamine, turned from prescription-only status to OTC in 1985 as an allergy remedy. It has since passed one-time allergy market leader Schering-Plough's Chlor-Trimeton. In late 1988, Benadryl had a 40% share of the near $125 million allergy relief segment, followed by Chlor-Trimeton's 30%.

W-L, however, is still struggling for presence in the larger cough-colds segment. Last year, W-L introduced Benadryl Plus, a multi-symptom cold reliever. The product is not among the top-selling remedies in the category. In 1988, according to Kline & Co., Richardson-Vicks' Nyquil continued to lead the category with a 12% share, followed by Alka-Seltzer Plus at 10%, Burroughs-Wellcome's Sudafed and Actifed, at a combined 9%; SmithKline Beecham's Contac at 8% and Schering-Plough's Drixoral and A.H. Robins' Dimetapp, tied at 7% each.

W-L introduced assorted fruit flavors of Rolaids. The brand had an estimated 13% share for the 12 months ending in June 1989 of the $900 million antacid market behind Rorer's Maalox, with just under 15%. P&G's Pepto-Bismol and Norcliff-Thayer's Tums had just under 14% each and Stuart's Mylanta, 11%.

At American-Chicle, W-L's gum and mints subsidiary, the company rolled national with Sugarfree Dentyne gum, its first U.S. line extension in the gum's 90-year history. Sugarless Dentyne has been in Canada for two years, where the company says it more than doubled market share of the Dentyne franchise.

W-L is offering the product because sugarfree gum now represents 50% of the nation's $1 billion spent on chewing gum. Sugarfree Dentyne is getting $4 million in TV and print ads this year, which broke in mid-summer via Young & Rubicam.

W-L moved to expand its Schick razor franchise with the May introduction of Schick Slim Twin, a narrow cartridge razor system which is getting more than $12 million in advertising and promotion, including a variety of couponing programs and a free razor offer. Gillette had more than 60% of the $720 million wet shave market, followed by Schick's 15%.

One product that saw major spending cuts was W-L's Promega Fish Oil. The company had high hopes for fish oil in 1987 but the category fell apart.

FDA approval came this year for the prescription drug, Lopid, for reducing the risk of coronary heart disease. The approval came on the heels of the November national roll-out of Cholybar, a prescription drug that reduces cholesterol levels.

With heart disease America's leading killer, analyst Robert Benezra of H.C. Wainwright, Boston, says the market for cholesterol-reducing drugs could reach $1 billion by 1993.

WARNER-LAMBERT CO.
201 Tabor Rd.
Morris Plains, N.J. 07950
(201) 540-2000

Corporate personnel: Joseph D. Williams, chmn-ceo; Melvin R. Goodes, president-coo; Robert J. Dircks, exec vp-cfo; Donald E. O'Neill, exec vp, chmn-intl operations.

American Chicle Group
Morris Plains, N.J.

Marketing personnel: Robert Serenbetz, president; Robert A.R. Clouston, vp-prod mgmt; Theodore G. Schable, vp-sales.

Brands/services by agency of record:

Trident
Chewels
Clorets
Bubblicious
Halls
Sticklets
Chiclets

Ad agency: J. Walter Thompson USA, New York: Jack Morrissey, sr vp-mgmt dir; Adele Finaly, vp-acct dir; Peter Leinroth, vp-acct super.

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Rolaids
Certs
Sugar-Free Certs
Sugar-Free Certs Mini-Mints
Dentyne
Rascals
Candilicious

Ad agency: Young & Rubicam, New York: William Thompson, exec vp-group dir; Arlene Brickneer, sr vp-group dir; John Leonard, sr vp-mgmt super.

Consumer Health Products Group
Morris Plains, N.J.

Marketing personnel: Raymond P. LeFebvre, president; L. Russell Moran, vp-prod mgmt; Joseph W. Masse, vp-sales.

Brands/services by agency of record:

Listerine
Listermint with Flouride
Lubriderm
Sinutab
e.p.t.
Anusol
Personal Touch shaving prods
Schick shaving products

Ad agency: J. Walter Thompson USA, New York: Jack Morrissey, senior vp-mgmt dir; Jeremy Birkbeck, sr vp-acct dir; Matthew Asinari, Fred Stuart, vps-acct supers; Lisa Durels, acct super.

■

Efferdent

Ad agency: Young & Rubicam, New York: William Thompson, exec vp-group dir; Arlene Brickner, sr vp-group dir; John Leonard, sr vp-mgmt super.

■

Benylin
Benadryl oral
Benadryl topical
Tucks
Caladryl
New prods

Ad agency: Sudler & Hennessey (consumer div), New York: Arthur M. Rosen, exec vp-mng dir; Lisa Blumenstein, John Draper, Greg Weed, sr vps-acct supers.

■

Anusol
Benadryl oral
Benadryl topical
Benylin
Caldryl
Promega
Tucks
New prods

Ad agency: Sudler & Hennessey (professional div), New York: Donald Masterson, exec vp-group dir; Angela Rossetti, sr vp-acct super; Wendy Mantel, vp-acct super.

Parke-Davis Group
Morris Plains, N.J.

Marketing personnel: Joseph E. Smith, president; Harry F. Oberkfell, vp-mktg; Jerry T. Roberts, vp-sales; Wayne L. Dickerson, Michael A. Hoffman, Anthony Bonelli, Roger M. Boissonneault, group prod dirs.

Brands/services by agency of record:

Centrax
Cholybar
Comprecin
Dilantin
Doryx
Eryc
Loestrin
Lopid
Meclomen
Procan SR
Thrombostat

Ad agency: Sudler & Hennessey (professional div), New York: Donald Masterson, exec vp-group dir; John Rinaldi, sr vp-group super; Joseph Laborsky, sr vp-acct super; Pamela Goldman, vp-acct super; Conrad Omansky, acct super; JoEllen Marro, assoc media dir.

Warner-Chilcott Laboratories
Morris Plains, N.J.

Marketing personnel: A. Dominick Musacchio, dir-mktg; Gary J. Borchard, prod mgr.

Brands/services by agency of record:

All advertised brands

Ad agency: Sudler & Hennessey (professional div), New York: Donald Masterson, exec vp-group dir; Conrad Omansky, acct super; JoEllen Marro, assoc media dir.

RANK
94

Wendy's International

Dublin, Ohio
ADVERTISING: $114.2 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	2,902	2,869	1.1
Earnings	28	5	532.5
■ Division sales	**1988**	**1987**	**% chg**
Systemwide sales	2,901	2,869	1.1
Retail sales	977	987	(1.1)
Royalties	69	64	8.3
Other	17	8	116.9

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	0	483	NA
Newspaper	163	319	(49.0)
Outdoor	1,747	2,026	(13.8)
Network TV	49,309	46,772	5.4
Spot TV	31,302	31,706	(1.3)
Synd TV	2,885	750	284.6
Network Cable	902	143	531.0
Spot radio	603	469	28.6
Measured	85,911	82,668	5.1
Unmeasured	27,300	26,000	5.0
Total	114,211	108,668	5.1

Late in 1988, Wendy's International amended its umbrella advertising theme, adding the phrase "and a whole lot more" to the end of its "The best burgers in the business" signature.

It was a small change in some ways, but indicative of Wendy's patient approach to marketing as it rebuilds the financial strength and marketplace power it enjoyed five years ago.

That rebuilding continues to proceed too slowly for some Wall Street analysts, with the company making few major changes or taking bold chances.

The company's net income in 1988 rose to $28.5 million, still short of the $76.2 million it posted in 1985, but considerable improvement over $5 million in 1987 and a net loss of $5 million in 1986.

Similarly, average per-store sales are struggling to regain the levels achieved earlier in the decade. Company-operated restaurants averaged sales of $793,000 in 1988, slightly better than 1987's average of $786,000 but not back to 1984's average of $874,000 when "Where's the beef?" was a national catch phrase and Wendy's was riding high. Average sales for franchisees' restaurants dropped off even more sharply and have been slower to recover.

Wendy's slide has cost it market share in a fairly stagnant $60 billion fast-food market that has become a highly competitive arena. Wendy's has lost a notch in the ranking of the top hamburger chains, having been replaced in the No. 3 spot behind McDonald's and Burger King by Hardee's Food Systems. Wendy's commands an approximate 4.5% share. McDonald's holds a 19% share, based on its U.S. sales of $11.4 billion.

To regain market share and sales momentum, Wendy's marketing strategy has been to focus primarily on the hamburgers that are its menu backbone. But it also promotes the "whole lot more" part of its ad theme.

In April 1989, Wendy's launched a new effort it dubbed its "Victory" campaign. Based on a two-year-long consumer survey that it claims shows its hamburgers preferred over those of its competitors, the campaign featured company founder and Senior Chairman of the Board R. David Thomas delivering the message "If we didn't have the best burgers in the business, I wouldn't have named the place after my daughter."

WENDY'S INTERNATIONAL
P.O. Box 256
4288 W. Dublin-Granville Road
Dublin, Ohio 43017-0256

Marketing personnel: Charles Rath, exec vp-mktg; Emil Brolick, vp-strategic planning & rsch; Don Calhoon, vp-field mktg; Dennis Lynch, vp-corp comm; Bill Long, Bob Stowe, natl mktg mgrs; Tom Heskamp, dir-sales promo.

Brands/services by agency of record:

Wendy's

Ad agency: Backer Spielvogel Bates Worldwide, New York: Randolph C. Lindell, exec vp; Toby Hochman, acct super; Tim Maurey, acct exec.

Backer Spielvogel Bates Worldwide, Dublin, Ohio: Raymond S. Caruso, exec vp-genl mgr.

■

Sales promo

Ad agency: Impact Inc., Chicago: Tom Smart, acct dir.

RANK
97

Whitman Corp.

Chicago
ADVERTISING: $111.7 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	3,583	3,060	17.1
Earnings	234	252	(7.2)
■ U.S.	**1988**	**1987**	**% chg**
Sales	2,996	2,577	16.3
Operating income	430	226	90.2
■ Division sales	**1988**	**1987**	**% chg**
Pet	1,452	1,348	7.7
Pepsi General	900	605	48.8
Midas	395	351	12.6
Hussman836	756	10.5	

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	1,763	4,100	(57.0)
Newsp supp	75	68	10.7
Newspaper	3,648	2,581	41.4
Outdoor	79	108	(26.4)
Network TV	16,025	13,323	20.3
Spot TV	34,364	43,524	(21.0)
Synd TV	0	0	NA
Network Cable	183	37	400.5
Network radio	2,748	4,091	(32.8)
Spot radio	8,117	7,083	14.6
Measured	67,000	74,912	(10.6)
Unmeasured	44,700	49,900	(10.4)
Total	111,700	124,812	(10.5)

Heralding its name change with a print campaign that broke in November, Whitman Corp. (formerly I.C. Industries) moved to establish its new identity as a consumer goods and services company by adding three new companies to its Pet Inc. division and expanding its Pepsi-Cola General Bottlers operations in Wisconsin.

The company's new name was derived from Whitman's Chocolates, a Pet candy division, and followed the company's spinoff of Illinois Central Railroad to shareholders and the $1.3 billion sale in April of Pneumo-Abex, aerospace and military company.

Whitman's three consumer core companies include St. Louis-based Pet and Pepsi General and Midas International Corp., both of Chicago.

With acquisitions and cost-cutting accompanying the restructuring, Whitman cut its ad costs by an estimated 10.6% in 1988. Media budgets were reduced for many major product lines, except Midas Muffler.

The Midas division purchased 50 more franchised shops, mostly in the New York-New Jersey-Philadephia area. Midas says in 1988 it held a 22% share of the exhaust replacement market, more than 13% of the brake service market and 4% of the overall shock absorber, strut and front-end replacement market. Midas' measured spending rose 19.1% to $41.7 million, nearly all in network and spot TV.

Pet cut back media spending, especially on Old El Paso food products, which dropped 66% to $2.8 million. Ad outlays fell 50% for Progresso Soup to $6.6 million and 41% for Accent Flavoring to $2.4 million. To compensate for these cuts, Pet continues to increase its use of merchandising programs, special promotions and samplings, according to a Pet spokesman.

Old El Paso holds a 32% share of the dry grocery Mexican market and a 9% share of the frozen Mexican food market; Progresso, 29.9% share of the ready-to-serve market and Accent, 48.7% share of its market, the company says.

WHITMAN CORP.
111 E. Wacker Dr.
Chicago, Ill. 60601
(312) 565-3000

Marketing personnel: Wendell W. Larsen, sr vp-corp affairs; Charles H. Connolly, vp-corp comm.

Brands/services by agency of record:

Corp adv

Ad agency: Gardner Advertising, St. Louis: Aly Johnson, mgmt rep.

Pet Inc.
St. Louis

Corporate personnel: Raymond N. Falino, US Grocery operations, vp-sales & mktg.

Marketing personnel: John Ferguson, vp-mktg, Mexican foods; Sly Stevenson, vp-mktg, Italian foods; Gerald Hayes, vp-mktg, specialty foods; Ted Keller, vp-sales & mktg, health foods; David Burke, vp-sales & mktg, frozen foods; Jerry Burchyett, vp-sales & mktg, bakery operations.

Brands/services by agency of record:

Media placement-Pet Inc.

Ad agency: Haworth Group, Minnetonka, Minn.: Claude Stevens, president; Tom Siqveland, vp-planning; Dan Douville, media planning; Andrea Luhtanen, mgr-print media.

Whitman's Chocolate Division
Philadelphia

Corporate personnel: Ray De Riggi, president.

Marketing personnel: Tom McNulty, vp-sales & mktg; Rita Birnhak, vp-mktg.

Brands/services by agency of record:

Whitman's Chocolate div

Ad agency: (In-house): Rita Birnhak, vp-mktg.

Midas International Corp.
Chicago

Marketing personnel: Russell J. Richards, sr vp, franchise operations, mktg; E.C. Schoenleb, vp-mktg.

Brands/services by agency of record:

Midas Intl

Ad agency: Wells, Rich, Greene, Chicago: Larry Singer, president; Lee Landan, exec vp, dir-client svcs; Stan Flaum, sr vp, dir-field svcs.

Pepsi-Cola General Bottlers
Chicago

Corporate personnel: Gerald McGuire, president-ceo; Maynard Nehring, exec vp.

Brands/services by agency of record:

Pepsi-Cola General Bottlers

Ad agency: (In-house): Genadco Advertising, Chicago: P.J. McCarthy, vp-adv.

RANK
75

Wm. Wrigley Jr. Co.

Chicago
ADVERTISING: $134.2 MILLION

Sales & earnings

($ in millions)

■ Worldwide	1988	1987	% chg
Sales	NA	NA	NA
Earnings	NA	NA	NA

U.S. advertising by media

($ in thousands)

■ Media	1988	1987	% chg
Magazine	5,414	4,980	8.7
Newsp supp	526	0	NA
Newspaper	140	0	NA
Outdoor	220	839	(73.8)
Network TV	68,175	51,672	31.9
Spot TV	25,971	29,977	(13.4)
Synd TV	10,449	6,096	71.4
Network Cable	7,075	6,680	5.9
Network radio	4,986	8,231	(39.4)
Spot radio	0	822	NA
Measured	122,955	109,297	12.5
Unmeasured	11,200	10,000	12.0
Total	134,155	119,297	12.5

Wrigley's six key brands—Big Red, Doublemint, Extra, Freedent, Juicy Fruit and Spearmint—gave the company a 47% share of the $1.8 billion chewing gum market worldwide, virtually even with 1987.

To protect that market share, the company spent $123 million on measured advertising in 1988, up about 13.4%.

An incremental $6 million was spent in the fourth quarter on a new corporate ad campaign; themed "Share a little piece of America," the 60-second TV spot featured vignettes of consumers enjoying gum in a variety of settings, ranging from a wedding to a football game. Produced by Wrigley agency BBDO, Chicago, the campaign was designed to counter some of the gum market's toughest problems about social acceptability. The four top Wrigley brands—Big Red, Doublemint, Juicy Fruit and Spearmint, which still represent a majority of Wrigley sales—are featured in the spot.

The biggest chunk of individual brand spending went to Spearmint, which received $30.7 million in measured media. After introducing an unusual, jingle-less, 60-second TV spot for Spearmint, Wrigley used that "Total chewing satisfaction" tagline and computer graphics in a variety of 30-second executions.

An additional $21.4 million went to advertise five-year-old sugarfree Extra gum, now the market's No. 2 sugarless gum (behind Warner-Lambert's Trident) with nearly as large a market share as the more-established Doublemint and Spearmint. Wrigley's biggest product news was the addition of cinnamon and Winter Fresh flavors to the Extra line; the new products were featured in print ads and in tags to the regular Extra TV spots.

Extra and Big Red gum were the major contributors to the company's 4% increase in U.S. unit sales during 1988.

WM. WRIGLEY JR. CO.
410 N. Michigan Ave.
Chicago, Ill. 60611
(312) 644-2121

Corporate personnel: William Wrigley, president-ceo.

Marketing personnel: R. Darrell Ewers, exec vp; Ronald O. Cox, group vp-mktg; Anthony Cipollina, vp-sales; Gary Bebee, Susan Sherry, assist vps-mktg.

Brands/services by agency of record:

Wrigley brands

Ad agency: BBDO, Chicago: Eric Harkna, president-ceo; Tonise Hayden, sr vp-mgmt super.

Amurol Products Co.
Naperville, Ill.

Corporate personnel: A.G. Atwater, president.

Brands/services by agency of record:

Amurol prods

Ad agency: Leo Burnett USA, Chicago: John Kovas, acct dir; Kathy Warpan, acct super.

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NEWSPAPER

c2710-1

***************5-DIGIT 20814
0201909649 01AV008940 COMPIVZ
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
BETHESDA MD 20814

October 2, 1989

Advertising Age®

Crain's International Newspaper of Marketing . $2.00 a copy

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LAST MINUTE NEWS

Infiniti plans to show car in new ads

CARSON, Calif.—Nissan's Infiniti division on Oct. 23 breaks a regional campaign in about 30 markets, using a new series of "nature scene" spots with a special ending that reveals the car for the first time. Sources describe the cars as being seen in a muted, almost ghostlike fashion.

Following that brief glimpse of one of Infiniti's two models, one or more dealer names will appear on the screen.

Some dealers start receiving cars Oct. 16; the car will officially be available to consumers starting Nov. 8.

That regional effort uses new network and cable TV spots that break Oct. 16 as the second wave of Infiniti's $60 million-plus ad program. The commercials, running through early January, continue the subtle Japanese-style approach now being used for the luxury car.

Although the new batch of commercials includes more information about Infiniti's two models, automotive sources said, only those shown regionally after Oct. 23 show the car.

Both efforts will be unveiled at a Detroit news conference this week, where automotive reporters and editors will be able to test-drive the new cars and learn about their technical details.

Sources said Infiniti is also considering airing on network TV a re-edited version of the corporate video shown to prospective dealers early this year. The low-key video features an older man and a younger man sitting in a restaurant discussing the concept of luxury.

If Infiniti decides to go ahead with this commercial, the length of which is undetermined, the one-time Nov. 5 airing would be heavily promoted in advance as a marketing "event."

Hill, Holliday, Connors, Cosmopulos, Inglewood, Calif., handles Infiniti. Both Nissan and agency officials declined comment on ad plans.

The video was created by Bill Heater and Don Easdon, the exec VP-creative directors responsible for Infiniti's advertising. Mr. Heater, who provided

(Continued on Page 8)

INSIDE

Off the wall .... P. 4
Honda defies gravity in a bold new campaign for the redesigned Accord sedan.

Like father, like son .... P. 48
James Jordan's and Elmore Leonard's sons follow in their fathers' footsteps.

Makeup moves .... P. 64
Maybelline looks more attractive as a takeover target following P&G's deal with Noxell.

Whittle eyes seniors

'Special Reports' spinoff seen in '90 or '91

By Scott Donaton

Whittle Communications is preparing a spinoff of *Special Reports* aimed at the mature market, sources say.

A source close to Whittle confirmed the company is planning to launch a magazine system designed to reach adults ages 50 and older. The still-untitled medium could roll out in late 1990 or early 1991.

"They're very excited about the prospects," the source said.

Whittle Vice Chairman Alan Greenberg wouldn't confirm the launch. But he said, "We don't plan to stop with just *Special Reports* as it is now known. We are working on a lot of products. There are potential spinoffs of *Special Reports*, and that could be one. There aren't many seniors where we're at now," referring to *Special Reports*.

Lakeside Pharmaceuticals, for its Citrucel fiber laxative, is a charter advertiser in *Special Reports*. Lakeside got involved with Whittle so it could have the first opportunity to advertise in the new project for seniors, said Ryan Abbate, Lakeside's ad manager.

"We're looking ahead to [being involved with] further *Special Reports* properties, like the gray market *Special Reports* that's in the works," Mr. Abbate said.

Details of the new system are sketchy, but it will likely resemble the current *Special Reports*, a series of six quarterlies, each devoted to a single topic

The magazines will be distributed through the waiting rooms of gerontologists and in other places frequented by older adults, such as nursing homes, a source close to the project said.

The new system would represent direct or

(Continued on Page 64)

One Burger King spot features an action-packed, scene aboard an aircraft carrier, where the men get their takeout food.

Burger King breaks from indecisive past

(Rating: ★ ★ ★)

By Bob Garfield

AD REVIEW

Finally.

At long last, Burger King Corp. has found an identity.

After years of disarray, operational and management upheaval, lost market share, advertising multiple-personality disorder and, ultimately, takeover by foreigners, the world's second-biggest hamburger slinger has decided what it wants to be.

It wants to be Pepsi-Cola.

Isn't it funny how you always find something in the last place you look? Burger King searched high and low for a marketing strategy and there it was, right on TV. Meet the new Burger King: a regeneration ahead.

What's being regenerated, apart from a

(Continued on Page 68)

A new 'personality'

Burger King cozies up to consumers

By Scott Hume

MIAMI—Burger King Corp. wants to do more than break some rules. It wants to quit the game.

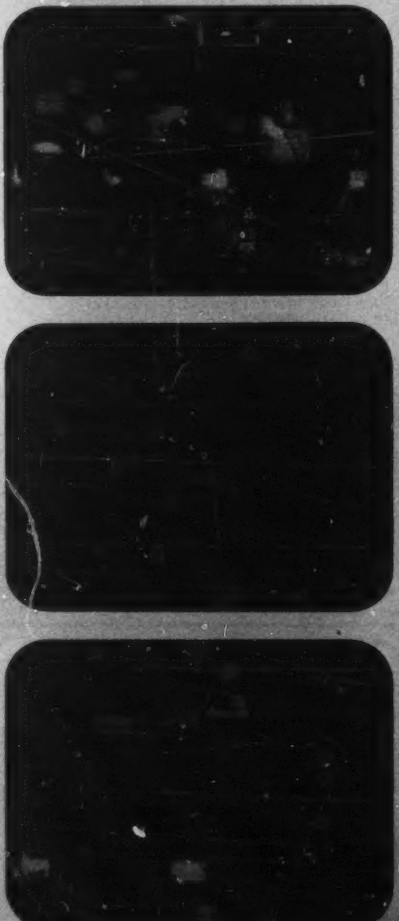
The No. 2 hamburger chain is gambling that a long-term commitment to establishing a relationship with consumers and a kinder, gentler image will pay off more than mimicking the fast-food industry's short-term, "commodity" marketing strategy based on price.

Burger King's $150 million "Sometimes you've gotta break the rules" ad campaign, starting this week, is intended to set it apart from competitors and its own past.

▪ *Ad Age* uncovers DMB&B's huge salary proposal for BK creative talent—Page 3.

"When we came in here the status quo was unacceptable to anybody," said Barry Gibbons, the 43-year-old restaurant management executive installed as Burger King

(Continued on Page 66)



One character in a TV set reaches int other set and pulls out a hambur

Coffee giants battle for gourmet control

By Judann Dagnoli and Laurie Freeman

The clash of the coffee titans is spilling onto Colombian ground as Procter & Gamble Co. rol[illegible]ut Folgers Gourmet Supreme and General Foods USA starts t[illegible]ng a whole-bean version of its Yuban brand.

Folgers Gourmet Supreme is F&G's first entry in the gourmet coffee segment and represents its response to rival General Foods' new Maxwell House Colombian Supreme. The General Foods product hit store shelves east of the Rockies last May and is now rolling into the remaining 15% of the country.

An estimated $10 million-to-$15 million TV and print campaign for Folgers Gourmet Supreme from N W Ayer, New York, breaks this month. Ayer won the assignment last April from Wells, Rich, Greene.

General Foods is staying one step ahead in the gourmet coffee race with Yuban Whole Bean coffee. Testing in Los Angeles, San Francisco and Portland, Ore., the line extension of the primarily West Coast-distributed Yuban is supported with local newspaper ads themed "The whole bean and nothing but the bean."

D'Arcy Masius Benton & Bowles, New York, handles.

Maxwell House Colombian Supreme and Yuban Whole Bean are 100% Colombian; Folgers Gourmet Supreme is a mix of Colombian and Arabica coffee beans.

Although P&G and General Foods are locked in close battle for the overall lead in the coffee market—P&G now has a 31% share in supermarkets compared with General Foods' 30.6%, one source said—General Foods dominates the gourmet segment.

The company has been grinding out upscale coffee products at a rapid-fire pace, including Colombian Supreme, Maxwell House Rich French Roast and the new Yuban within the past six months. General Foods also markets Maxwell House Private Collection.

Industry sources say falling coffee consumption is influencing marketers to introduce high-price, high-margin gourmet coffees.

"Consumers are drinking less coffee, but they are drinking better coffee," one source said.

Pound sales of coffee in supermarkets dropped 9% to 811 million for the year ended July 14, from the same period a year earlier, Arbitron/SAMI reported.

But gourmet coffee sales are on the rise, FIND/SVP reported, with sales in the segment at $600 million last year, up from $500 million in 1987.

The research company said the segment has grown about 20% for each of the past five years and now accounts for 8% of the overall $6.3 billion coffee market.

Colombian blends have been riding this wave, constituting 5% of total U.S. coffee sales, the National Federation of Coffee Growers of Colombia reported.

Both the new Folgers and Yuban entries are premium-price.

Packaged in black cans with gold lettering, Folgers Gourmet Supreme is sold in 16 varieties, including a brick pack and three can sizes in regular and decaffeinated for automatic drip and percolator/regular grinds.

P&G said Gourmet Supreme will be priced about 30¢ higher than regular Folgers at wholesale.

The marketer wouldn't comment on ad spending or ad plans for Gourmet Supreme but said a free standing newspaper insert in November will offer a free can for every two cans purchased. ☐

Murdoch beefs up FSIs

Industry questions wisdom of holiday drops

By Allison Fahey

Starting in 1991, Rupert Murdoch's News America Publishing will publish free standing inserts every Sunday, an industry first that outside executives characterized as risky.

The schedule will include six dates when rival Valassis Inserts doesn't plan to drop inserts.

Valassis and News America's Quad Marketing and Product Movers often publish FSIs on the same Sunday. In 1991, Valassis will drop 46 Sunday inserts; Product Movers plans 34 and Quad plans 28.

News America has about 55% of the estimated $850 million FSI market; Valassis about 45%.

The six extra dates, to be evenly divided between Quad and Product Movers, coincide with holidays, considered poor drop times because of low newspaper readership and coupon redemption rates.

"If it doesn't work, it'll leave a bad taste. Whenever someone does something new, they run the risk of hurting their image," said Elliott Young, president of Perception Research Services, which tracks FSI use and effectiveness. "I think [marketers] will buy the space simply to reach more people, but they will scrutinize the performance," and repeat purchases may not materialize.

"They are putting their money on the line either way. Without going through a test, they are taking an undue risk."

"They are putting their money on the line either way," said Vincent Sottosanti, president of promotion agency Comart-KLP, New York. "Without going through a test, they are taking an undue risk."

News America will announce the plan this week. The company said the move could bring solace to marketers who complain FSIs are too hard to schedule and are ineffective.

"This is the first time in the 20 years of the industry that marketers don't have to worry about getting FSI coverage. We have complete market and date coverage, and we have six exclusive dates to add impact," said Ken Bortner, president of News America's FSI Division.

Still, observers have doubts.

"My gut reaction is that historically, traditionally, holidays are lousy days to drop offers, and I don't think you're going to change consumer behavior," said William A. Robinson, ceo of the Chicago-based promotion agency that bears his name.

Said David Brandon, president-ceo of Valassis: "We've concluded that there's four, five or six Sundays when we'd love to keep our presses going and make business for ourselves, but we didn't see it as viable for our customers."

But Mr. Bortner said the company is confident the space will attract some marketers.

"There are enough players in

(Continued on Page 65)

Hollywood gets world view

By Marcy Magiera

With foreign ownership invading Hollywood, the traditional film marketing rules may be rewritten.

Sony Corp.'s announcement last week of its intention to acquire Columbia Pictures Entertainment marked the third of Hollywood's [illegible] major movie studios to fall [illegible] interests.

Along with Sony, Qintex Australia's planned buyout of MGM/-UA Communications Co. could signal a tighter rein on marketing costs, greater attention to global marketing and increased home video promotion, Hollywood observers say.

A third Hollywood giant, Fox Film Corp., already is owned by Australian media magnate Rupert Murdoch through his News Corp.

The new owners are likely to broaden the view of studio marketing executives, one observer said.

Advertising and publicity campaigns could be designed with a more international flavor and "be more sensitive to local customs," said Gordon Weaver, president Gordon Weaver Co., an entertainment marketing consultancy.

Movie marketing with an inter-

(Continued on Page 64)

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ABP
MPA

LETTERS

Big Mac no cluck

In your article about McDonald's chicken (AA, Sept. 4), a Church's fried chicken franchisee, Steve Eckhardt, said he thought "McDonald's could confuse its customers by rolling out too many different new products." Well, Steve, hardly any of the nearly 20 million customers who visit McDonald's restaurants each day drive up by accident, and even fewer are confused or disappointed as a result of their visit.

It's true McDonald's takes the hamburger business more seriously than anyone else, but it's also true that McDonald's takes the dining-out business seriously. McDonald's didn't wait for the world to start demanding chicken on the menu. Millions of folks demanding something you don't serve in your restaurants each day would not be a pleasant situation. That is why McDonald's is the leader, not a follower.

Although it has been more than three years since I worked as Ronald McDonald's press secretary, I am convinced McDonald's nearest competition is still the decision to eat at home.

Robert L. Keyser III
Keyser Group
Hinsdale, Ill.

A far-out correction

Rance Crain, in his column, exaggerated slightly, perhaps by a factor of a billion billion, when he said that colonizing Mars would place us in competition with the rest of the universe (AA, Sept. 4). We would at most be challenged by aliens from a few nearby star systems, or maybe 1/500,000 of the huge Milky Way galaxy. In turn, there are approximately one billion other galaxies.

Anyhow, we should colonize the moon first. It's not only more doable, but may be less of a threat to our close neighbors in Alpha Centauri.

James M. Bland
Dallas

REVOLUTIONARY DESIGNS
GENERAL DEVICES

Crossing the boundaries

According to this ad, our first president crossed the Potomac River with such essential hardware as "sturdy, attractive cabinets, cooling modules" and more. Of course he did; he was revolutionary!

Clearly, this is an ad we can do without.

Dan Stech
Copy director, GTR Advertising
Cleveland

'GQ' vs. 'Esquire'

Re: "Brady's Bunch" item about *GQ's* September issue (506 pages) being the "biggest issue of a men's magazine in publishing history" (AA, Aug. 28).

Wrong! The October 1973 (40th anniversary) issue of *Esquire* contained 564 pages. It included Hemingway, Fitzgerald, Wolfe, Capote and many more of the great Arnold Gingrich's literary cronies.

Jay M. Remer
National ad manager
The New Yorker
New York

The December 1983 *Esquire* was 618 pages. As VP-group advertising director at the time, it was particularly gratifying because only a few years before the magazine had been given up for dead by most advertisers.

William H. Longley
President
Health Monitor Marketing
White Plains, N.Y.

While the December 1983 issue of *Esquire* may have been a total of 618 pages, according to PIB, there were 285.05 advertising pages in that issue (some ad/edit ratio, right?).

The September 1989 issue of *GQ* closed at 342 advertising pages with a very healthy ad/edit ratio. So, I guess you can say that the September issue had more advertising pages than any men's magazine in history!

Michael Clinton
Publisher
Gentlemen's Quarterly
New York

Don't give in to drugs

Sid "Just-Say-Yes" Bernstein is at it again—telling us that if we simply legalize drugs, the problems drugs cause will disappear (AA, Sept. 11).

Sure. And the repeal of Prohibition eliminated all the problems caused by liquor.

Bernstein seems to think that drugs are profitable because illegality lets dealers charge high prices. Wrong, Sid—competition and the spirit of American enterprise have made drugs nice and cheap. In most cities, you can get a line of coke or a smoke of crack for less than the price of dinner and a movie.

The problem is that, for addicts, one isn't enough. Drugs are obscenely profitable NOT because the unit price is high, but because demand is insatiable.

Get real, Sid. Drug problems are not caused by drug dealers or drug profits. They're caused by drugs themselves.

Drugs kill people. They ruin lives. They destroy the individual freedom and responsibility that are the very foundation of our democratic society. We can't afford to give in to them. It won't be easy—but we've got to fight.

Jim Williams
Omaha, Neb.

I applaud Sid Bernstein's stand on legalizing drugs.

Opposition to legalization of drugs is basically an ideological concept. It's a moral issue. It is thus an ideological war . . . similarly Prohibition.

Within this generation we have fought and lost every ideological war in which we've engaged—Korea, Vietnam and, currently, Nicaragua and El Salvador.

Will we never learn?

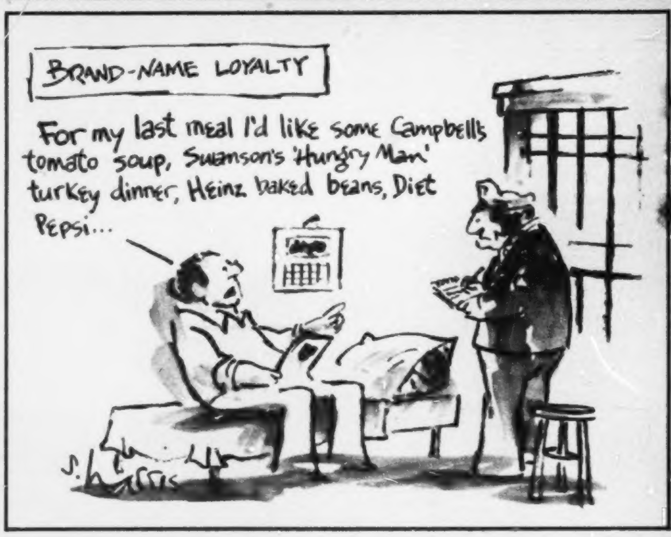
The old saw "If you can't beat 'em, join 'em" applies here. Failure to recognize this doleful truth is bleeding our great country of dollars, causing loss of respect for law and order, corrupting law enforcement personnel, etc.

We can stop all this and provide hospitalization and counseling to the addicts based on revenue derived from legalized drug sales.

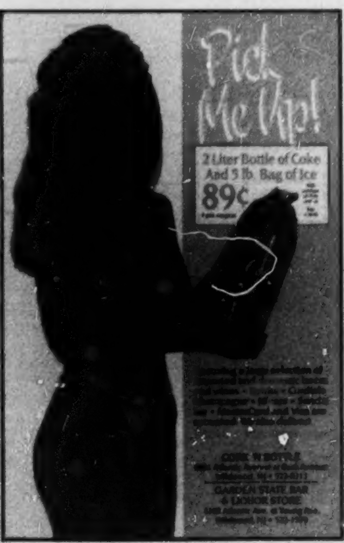
Fortunately, *Ad Age* has the ear of our best communicators. So keep telling them. It may bring us to our senses!

Daniel L. Lionel
President, Leadership Advertising
Development Co.
Syosset, N.Y.

FREEZE FRAME


BRAND-NAME LOYALTY
For my last meal I'd like some Campbell's tomato soup, Swanson's 'Hungry Man' turkey dinner, Heinz baked beans, Diet Pepsi...
S. Harris

Sidney Harris


Pick Me Up!
2 Liter Bottle of Coke And 5 lb. Bag of Ice
89¢
COKE N BOTTLE
GARDEN STATE BAR & LIQUOR STORE

A Classic sexist ad

Words cannot fully describe why this local Coca-Cola promotion on the Jersey Shore is a Classic case of an ad we can do without, but for starters let's try "sexist," "sophomoric" and "stupid."

On the other hand, "Pick me up," if hyphenated, *could* simply be a reference to the stimulating qualities of Coca-Cola's caffeine ingredient. . . . Nah!

I sure hope that the implicit endorsement of co-op funding doesn't exist for this type of four-color fiasco!

Peter Pelland
President
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Like a cheap paperback

Good god. That Mr. Brady had to endure a sponge bath *and* open windows all on the same day is an outrage. How dare those people subject a group of *obviously superior* Americans to such untenable conditions! This is clearly an act of war.

Mr. Brady's recent report on Forbes' fab bash (AA, Aug. 28) read like a cheap paperback, complete with caricatures of bitchy women and egocentric men. (What, no Zsa-Zsa?) The sad thing is these people are real.

The sadder thing is that I actually read it.

Tina L. Creguer
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Time for continuity programs

In response to your Aug. 7 article "Purse strings tighten despite ads," I strongly agree with Prof. Leslie Telser that in these times of cautious consumer spending, marketers should concentrate on increasing their market share by convincing consumers to switch brands.

However, when product identity is established and product recognition has been achieved, advertising has done its job and can do little more to move consumers from one brand to another.

In an economic environment such as we are experiencing today, smart product managers are looking toward strategic sales promotion as a means of swaying consumers to their brand. Strategic continuity programs are key to getting the consumer to switch brands. These programs tell the consumer to buy *now* and to keep

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CORRECTIONS & CLARIFICATIONS

■ The ad pages given in a chart listing city magazines are for the first seven months of 1988 and 1989, not whole-year figures (AA, Sept. 18, P. 33).

■ *Inside* and *The Jewish Exponent* are sold separately, rather than in package ad deals as reported (AA, Sept. 18, P. 33).

■ *TV Entertainment's* audited circulation for the six months ended June 30 was 4,136,279, down 1.5% from 4,199,919 for the [illegible] 1988 period, according to the Business Publications Audit of Circulation (AA, Aug. 21, P. 66). ☐

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